

LC 448
2025 Regular Session
44300-013
10/9/24 (CPA/ps)

D R A F T

SUMMARY

Digest: Raises for hospitals the annual license fees to be paid to OHA. Repeals fees for compliance actions. Allows assessment of a late fee for a hospital that fails to pay a renewal license fee. (Flesch Readability Score: 65.9).

Increases for hospitals the annual license fees to be obtained by the Oregon Health Authority. Repeals fees that the Oregon Health Authority may charge for investigation and compliance activities. Allows the assessment of a late fee for a hospital that fails to pay a renewal license fee.

Makes confidential and not subject to public disclosure information obtained by the Oregon Health Authority or the Department of Human Services during an intake or triage of a complaint or reported violation regarding the standard of care in a health care facility.

Allows the Oregon Health Authority to accept a certification or accreditation from a federal agency or an accrediting body if a health care facility provides to the authority copies of summary documentation concerning the certification or accreditation.

Takes effect on October 1, 2025.

A BILL FOR AN ACT

1
2 Relating to health care facilities; amending ORS 441.020, 441.044 and 441.062;
3 repealing ORS 441.021; and prescribing an effective date.

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

5 **SECTION 1.** ORS 441.020 is amended to read:

6 441.020. (1) Licenses for health care facilities, except long term care fa-
7 cilities as defined in ORS 442.015, must be obtained from the Oregon Health
8 Authority.

9 (2) Licenses for long term care facilities must be obtained from the De-
10 partment of Human Services.

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 (3) Applications shall be upon such forms and shall contain such infor-
2 mation as the authority or the department may reasonably require, which
3 may include affirmative evidence of ability to comply with such reasonable
4 standards and rules as may lawfully be prescribed under ORS 441.025.

5 (4)(a) Each application submitted to the Oregon Health Authority must
6 be accompanied by the license fee. If the license is denied, the fee shall be
7 refunded to the applicant. If the license is issued, the fee shall be paid into
8 the State Treasury to the credit of the Oregon Health Authority Fund for
9 the purpose of carrying out the functions of the Oregon Health Authority
10 under and enforcing ORS 441.015 to 441.119, 441.761 to 441.795 and 441.993;
11 or

12 (b) Each application submitted to the Department of Human Services
13 must be accompanied by the application fee or the annual renewal fee, as
14 applicable. If the license is denied, the fee shall be refunded to the applicant.
15 If the license is issued, the fee shall be paid into the State Treasury to the
16 credit of the Department of Human Services Account for the purpose of
17 carrying out the functions of the Department of Human Services under and
18 enforcing ORS 431A.050 to 431A.080, 441.015 to 441.119 and 441.993.

19 (5) Except as otherwise provided in subsection (8) of this section, for
20 hospitals with:

21 (a) Fewer than 26 beds, the annual license fee shall be [~~\$1,250~~] **\$6,250**.

22 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee
23 shall be [~~\$1,850~~] **\$9,250**.

24 (c) Fifty or more beds but fewer than 100 beds, the annual license fee
25 shall be [~~\$3,800~~] **\$14,000**.

26 (d) One hundred beds or more but fewer than 200 beds, the annual license
27 fee shall be [~~\$6,525~~] **\$32,625**.

28 (e) Two hundred or more beds, but fewer than 500 beds, the annual license
29 fee shall be [~~\$8,500~~] **\$42,500**.

30 (f) Five hundred or more beds, the annual license fee shall be [~~\$12,070~~]
31 **\$60,350**.

1 (6) A hospital shall pay an annual fee of [~~\$750~~] **\$3,750** for each hospital
2 satellite indorsed under the hospital's license.

3 (7) The authority may charge a reduced hospital fee or hospital satellite
4 fee if the authority determines that charging the standard fee constitutes a
5 significant financial burden to the facility.

6 (8) For long term care facilities with:

7 (a) One to 15 beds, the application fee shall be \$2,000 and the annual re-
8 newal fee shall be \$1,000.

9 (b) Sixteen to 49 beds, the application fee shall be \$3,000 and the annual
10 renewal fee shall be \$1,500.

11 (c) Fifty to 99 beds, the application fee shall be \$4,000 and the annual
12 renewal fee shall be \$2,000.

13 (d) One hundred to 150 beds, the application fee shall be \$5,000 and the
14 annual renewal fee shall be \$2,500.

15 (e) More than 150 beds, the application fee shall be \$6,000 and the annual
16 renewal fee shall be \$3,000.

17 (9) For ambulatory surgical centers, the annual license fee shall be:

18 (a) \$1,750 for certified and high complexity noncertified ambulatory sur-
19 gical centers with more than two procedure rooms.

20 (b) \$1,250 for certified and high complexity noncertified ambulatory sur-
21 gical centers with no more than two procedure rooms.

22 (c) \$1,000 for moderate complexity noncertified ambulatory surgical cen-
23 ters.

24 (10) For birthing centers, the annual license fee shall be \$750.

25 (11) For outpatient renal dialysis facilities, the annual license fee shall
26 be \$2,000.

27 (12) The authority shall prescribe by rule the fee for licensing an extended
28 stay center, not to exceed:

29 (a) An application fee of \$25,000; and

30 (b) An annual renewal fee of \$5,000.

31 **(13) The authority may assess a late fee not to exceed \$1,250 for a**

1 **hospital that fails to pay a renewal license fee required under this**
2 **section. The late fee shall be added to the required renewal license fee**
3 **and must be paid by the health care facility before the authority may**
4 **renew the license.**

5 [(13)] (14) During the time the licenses remain in force, holders are not
6 required to pay inspection fees to any county, city or other municipality.

7 [(14)] (15) Any health care facility license may be indorsed to permit op-
8 eration at more than one location. If so, the applicable license fee shall be
9 the sum of the license fees that would be applicable if each location were
10 separately licensed. The authority may include hospital satellites on a
11 hospital's license in accordance with rules adopted by the authority.

12 [(15)] (16) Licenses for health maintenance organizations shall be obtained
13 from the Director of the Department of Consumer and Business Services
14 pursuant to ORS 731.072.

15 [(16)] (17) Notwithstanding subsection (4) of this section, all moneys re-
16 ceived for approved applications pursuant to subsection (8) of this section
17 shall be deposited in the Quality Care Fund established in ORS 443.001.

18 [(17)] (18) As used in this section:

19 (a) "Hospital satellite" has the meaning prescribed by the authority by
20 rule.

21 (b) "Procedure room" means a room where surgery or invasive procedures
22 are performed.

23 **SECTION 2.** ORS 441.020, as amended by section 42, chapter 32, Oregon
24 Laws 2024, is amended to read:

25 441.020. (1) Licenses for health care facilities, except long term care fa-
26 cilities as defined in ORS 442.015, must be obtained from the Oregon Health
27 Authority.

28 (2) Licenses for long term care facilities must be obtained from the De-
29 partment of Human Services.

30 (3) Applications shall be upon such forms and shall contain such infor-
31 mation as the authority or the department may reasonably require, which

1 may include affirmative evidence of ability to comply with such reasonable
2 standards and rules as may lawfully be prescribed under ORS 441.025.

3 (4)(a) Each application submitted to the Oregon Health Authority must
4 be accompanied by the license fee. If the license is denied, the fee shall be
5 refunded to the applicant. If the license is issued, the fee shall be paid into
6 the State Treasury to the credit of the Oregon Health Authority Fund for
7 the purpose of carrying out the functions of the Oregon Health Authority
8 under and enforcing ORS 441.015 to 441.119, 441.761 to 441.795 and 441.993;
9 or

10 (b) Each application submitted to the Department of Human Services
11 must be accompanied by the application fee or the annual renewal fee, as
12 applicable. If the license is denied, the fee shall be refunded to the applicant.
13 If the license is issued, the fee shall be paid into the State Treasury to the
14 credit of the Department of Human Services Account for the purpose of
15 carrying out the functions of the Department of Human Services under and
16 enforcing ORS 441.015 to 441.119 and 441.993.

17 (5) Except as otherwise provided in subsection (8) of this section, for
18 hospitals with:

19 (a) Fewer than 26 beds, the annual license fee shall be [~~\$1,250~~] **\$6,250**.

20 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee
21 shall be [~~\$1,850~~] **\$9,250**.

22 (c) Fifty or more beds but fewer than 100 beds, the annual license fee
23 shall be [~~\$3,800~~] **\$14,000**.

24 (d) One hundred beds or more but fewer than 200 beds, the annual license
25 fee shall be [~~\$6,525~~] **\$32,625**.

26 (e) Two hundred or more beds, but fewer than 500 beds, the annual license
27 fee shall be [~~\$8,500~~] **\$42,500**.

28 (f) Five hundred or more beds, the annual license fee shall be [~~\$12,070~~]
29 **\$60,350**.

30 (6) A hospital shall pay an annual fee of [~~\$750~~] **\$3,750** for each hospital
31 satellite indorsed under the hospital's license.

1 (7) The authority may charge a reduced hospital fee or hospital satellite
2 fee if the authority determines that charging the standard fee constitutes a
3 significant financial burden to the facility.

4 (8) For long term care facilities with:

5 (a) One to 15 beds, the application fee shall be \$2,000 and the annual re-
6 newal fee shall be \$1,000.

7 (b) Sixteen to 49 beds, the application fee shall be \$3,000 and the annual
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9 (c) Fifty to 99 beds, the application fee shall be \$4,000 and the annual
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11 (d) One hundred to 150 beds, the application fee shall be \$5,000 and the
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14 renewal fee shall be \$3,000.

15 (9) For ambulatory surgical centers, the annual license fee shall be:

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17 gical centers with more than two procedure rooms.

18 (b) \$1,250 for certified and high complexity noncertified ambulatory sur-
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20 (c) \$1,000 for moderate complexity noncertified ambulatory surgical cen-
21 ters.

22 (10) For birthing centers, the annual license fee shall be \$750.

23 (11) For outpatient renal dialysis facilities, the annual license fee shall
24 be \$2,000.

25 (12) The authority shall prescribe by rule the fee for licensing an extended
26 stay center, not to exceed:

27 (a) An application fee of \$25,000; and

28 (b) An annual renewal fee of \$5,000.

29 **(13) The authority may assess a late fee not to exceed \$1,250 for a**
30 **hospital that fails to pay a renewal license fee required under this**
31 **section. The late fee shall be added to the required renewal license fee**

1 **and must be paid by the health care facility before the authority may**
2 **renew the license.**

3 [(13)] (14) During the time the licenses remain in force, holders are not
4 required to pay inspection fees to any county, city or other municipality.

5 [(14)] (15) Any health care facility license may be indorsed to permit op-
6 eration at more than one location. If so, the applicable license fee shall be
7 the sum of the license fees that would be applicable if each location were
8 separately licensed. The authority may include hospital satellites on a
9 hospital's license in accordance with rules adopted by the authority.

10 [(15)] (16) Licenses for health maintenance organizations shall be obtained
11 from the Director of the Department of Consumer and Business Services
12 pursuant to ORS 731.072.

13 [(16)] (17) Notwithstanding subsection (4) of this section, all moneys re-
14 ceived for approved applications pursuant to subsection (8) of this section
15 shall be deposited in the Quality Care Fund established in ORS 443.001.

16 [(17)] (18) As used in this section:

17 (a) "Hospital satellite" has the meaning prescribed by the authority by
18 rule.

19 (b) "Procedure room" means a room where surgery or invasive procedures
20 are performed.

21 **SECTION 3.** ORS 441.044 is amended to read:

22 441.044. (1) Rules adopted pursuant to ORS 441.025 shall include proce-
23 dures for the filing of complaints as to the standard of care in any health
24 care facility and provide for the confidentiality of the identity of any
25 complainant.

26 (2) A health care facility, or person acting in the interest of the facility,
27 may not take any disciplinary or other adverse action against any employee
28 who in good faith brings evidence of inappropriate care or any other vio-
29 lation of law or rules to the attention of the proper authority solely because
30 of the employee's action as described in this subsection.

31 (3) Any employee who has knowledge of inappropriate care or any other

1 violation of law or rules shall utilize established reporting procedures of the
2 health care facility administration before notifying the Department of Hu-
3 man Services, Oregon Health Authority or other state agency of the alleged
4 violation, unless the employee believes that patient health or safety is in
5 immediate jeopardy or the employee makes the report to the department or
6 the authority under the confidentiality provisions of subsection (1) of this
7 section.

8 (4) The protection of health care facility employees under subsection (2)
9 of this section shall commence with the reporting of the alleged violation
10 by the employee to the administration of the health care facility or to the
11 department, authority or other state agency pursuant to subsection (3) of this
12 section.

13 (5) Any person suffering loss or damage due to any violation of subsection
14 (2) of this section has a right of action for damages in addition to other ap-
15 propriate remedy.

16 *[(6) The provisions of this section do not apply to a nursing staff, as defined*
17 *in ORS 441.179, who claims to be aggrieved by a violation of ORS 441.181*
18 *committed by a hospital.]*

19 [(7)] (6) Information obtained by the department or the authority during
20 an **intake, triage or** investigation of a complaint or reported violation un-
21 der this section is confidential and not subject to public disclosure under
22 ORS 192.311 to 192.478. Upon the conclusion of the investigation, the de-
23 partment or the authority may publicly release a report of the department's
24 or the authority's findings but may not include information in the report
25 that could be used to identify the complainant or any patient at the health
26 care facility. The department or the authority may use any information ob-
27 tained during an investigation in an administrative or judicial proceeding
28 concerning the licensing of a health care facility, and may report informa-
29 tion obtained during an investigation to a health professional regulatory
30 board as defined in ORS 676.160, the Long Term Care Administrators Board,
31 the Board of Licensed Dietitians or the Behavior Analysis Regulatory Board

1 as that information pertains to a licensee of the board.

2 **SECTION 4.** ORS 441.062 is amended to read:

3 441.062. (1) In conducting inspections for the purpose of licensing health
4 care facilities under ORS 441.020, the Oregon Health Authority and the De-
5 partment of Human Services shall avoid unnecessary facility disruption by
6 coordinating inspections performed by the authority or the department with
7 inspections performed by other federal, state and local agencies that have
8 responsibility for health care facility licensure.

9 (2) Whenever possible, the authority and the department shall avoid du-
10 plication of inspections by accepting inspection reports or surveys prepared
11 by other state agencies that have responsibility for health care facility
12 licensure for purposes of the inspection required for licensure.

13 (3) In lieu of an in-person site inspection as required by ORS 441.025 and
14 441.060, the authority or the department may accept a certification or ac-
15 creditation from a federal agency or an accrediting body approved by the
16 authority or the department that the state licensing standards have been
17 met, if:

18 (a) The certification or accreditation is recognized by the authority or the
19 department as addressing the standards and condition of participation re-
20 quirements of the Centers for Medicare and Medicaid Services and other
21 standards set by the authority or the department;

22 (b) The health care facility notifies the authority or the department to
23 participate in any exit interview conducted by the federal agency or accred-
24 iting body; and

25 (c)(A) **The health care facility provides copies of summary doc-**
26 **umentation from the federal agency or accrediting body concerning**
27 **the certification or accreditation to the authority within 30 days fol-**
28 **lowing the receipt of summary documentation from the federal agency**
29 **or accrediting body; or**

30 (B) The health care facility provides copies of all documentation con-
31 cerning the certification or accreditation requested by [*the authority or*] the

1 department.

2 (4) The authority and the department shall adopt rules necessary to im-
3 plement this section.

4 **SECTION 5. ORS 441.021 is repealed.**

5 **SECTION 6. This 2025 Act takes effect on October 1, 2025.**

6
