

## Support HB2664—Bi-Partisan Extended Stay Pilot Program

In response to legislation introduced in 2015, the House Health Committee formed a work group led by Rep. Rob Nosse to explore the concept of allowing certain patients to recover from outpatient surgery in an “extended stay” facility, similar to those that exist in several other states. Such a program has led to dramatically lower costs, lower infection rates, and better patient outcomes and satisfaction. HB2664 and the forthcoming amendment represent months of negotiations with multiple parties and interests. The amendment significantly narrows the scope of the original proposal, requires collaboration between existing health systems and outpatient surgery centers, establishes clear metrics and measurement standards, and ensures transparency for the Medicare population. The bill would allow the state to establish a clear system for the inevitable reforms that are occurring in surgery as technology and cost drivers push change at a national level.

### Major Provisions of the Proposal:

**HOURS:** Certain patients would be allowed to remain for a total of 48 hours in an Ambulatory Surgery Center and Extended Stay facility. An extra 4 hour window would be allowed in limited cases where a patient shouldn't be released early in the morning (i.e. 6 a.m.)

**NUMBER:** Up to 16 extended stay centers would be licensed by the state during the 5 year pilot project

**OWNERSHIP:** 8 centers would be joint ventures with another health system. 5 more would be non-affiliated centers. 3 applications would be open to either type of applicant.

**STANDARDS AND METRICS:** Extended stay facilities would have to meet the same life/safety standards as those for patients in other extended stay settings.

**PATIENT NOTIFICATION OF ELIGIBLE SERVICES:** Medicare patients would be clearly notified of the limits of Medicare coverage for these services.

**MEDICAL SPONSOR / PRESERVING HIGH QUALITY:** An applicant would have to have a surgery center medical sponsor which had a clean track record of Oregon operations for 24 months to ensure patient safety.

**STRUCTURE / EVALUATION / OVERSIGHT:** The bill would follow current CMS restrictions, and require a separate license for the extended stay center. But the bill would ask OHA to investigate and apply for authority to pursue a single license system from CMS. A standing task force would be established to advise OHA. Annual reports would be required on key metrics and outcomes.



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