# HB 4020 -8 STAFF MEASURE SUMMARY

#### House Committee On Health Care

Prepared By:Oliver Droppers, LPRO AnalystSub-Referral To:Joint Committee On Ways and MeansMeeting Dates:2/9, 2/14

#### WHAT THE MEASURE DOES:

See amendments.

## **ISSUES DISCUSSED:**

- Prior legislative initiatives seeking to license ambulatory surgical centers and extended stay centers
- Pending amendments

## **EFFECT OF AMENDMENT:**

-8 Replaces the measure. Defines terms and provisions for licensing extended stay centers (ESCs) by the Oregon Health Authority (OHA) including eligibility criteria for ESCs. Specifies data to be reported to OHA by ESCs including patient safety and discharge data. Requires the Health Evidence Review Commission (HERC) to develop evidence-based guidelines on patient characteristics and surgical procedures appropriate for ambulatory surgical centers and extended stay centers. Requires HERC to report on implementation to the Legislative Assembly no later than December 31, 2022. Allows OHA to establish by rule a fee to be charged to ambulatory surgical centers or extended stay centers to collect specified data.

Requires OHA to apply to the federal Centers for Medicare and Medicaid Services for approval to receive federal financial participation and allow extended stay centers and ambulatory surgical centers to operate under a single license. Requires OHA to report on status of federal request no later than July 1, 2019. Requires OHA to mitigate barriers to ESCs to accepted Medicaid patients. Declares an emergency, effective upon passage.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

## **BACKGROUND:**

Ambulatory Surgery Centers (ASC) are health care facilities that focus on providing same-day surgical care, including diagnostic and preventive procedures. Currently, Arizona, Colorado, Florida, Illinois, and Nevada have adopted extended stay recovery licensure.

In 2015, the House Committee on Health Care formed a work group to explore the possibility of allowing patients to recover from outpatient surgery in an extended stay facility or extended stay recovery center. In 2017, House Bill 2664-A would have defined "extended stay centers," "extended stay services," "health system," and "local hospital," and directed the Oregon Health Authority (OHA) to adopt rules specifying the criteria for the licensing of extended stay centers and for emergency transfer agreements. The bill specified hospital requirements where the patient would be transferred; that the patient stay in an extended stay center for up to 48 hours, or four hours past the 48-hour limit based on patient safety; and that OHA license no more than 16 extended stay centers until January 2, 2023.

House Bill 4020 creates criteria to establish and license extended stay centers in Oregon.