



OREGON
HEALTH
AUTHORITY

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**SB 842:
Modernizing Hospital
Oversight Fee Structure**



Hospital – Health & Safety Regulation



Health Facility Licensing & Certification

- Processes applications for new licenses, facility changes, and annual renewals
- Provides technical assistance to hospitals on state and federal regulatory requirements and processes
- Conducts licensing surveys
- Conducts state and federal complaint investigations
- Maintains hospital license and contact information for emergency preparedness

Hospital Investigations

15 new statutory requirements for hospitals since 2009 create additional complaint investigations without additional resources

Hospital complaints are increasing in number and complexity

- HFLC received **177 complaints in 2017 and 425 complaints in 2024 – a 140% increase**
- HFLC received and investigated 3 complaints with concerns about patients at risk of death or serious harm in 2021 and 14 complaints of that type in 2023 – a 367% increase

Increase in Complex Patient Safety Incidents

Recent Regulatory Work Includes:

- Addressing family birthing unit closures
- Addressing closure of a hospital in an urban area resulting in loss of local emergency and inpatient services to a population of 170,000
- Investigations of patient deaths related to emergency care, self harm, surgery, and transport.



Current Hospital Funding



Program relies solely on licensing fees to cover hospital licensing and regulatory work

Funding has been flat since 2009 – insufficient to support the current workload

Fees only cover part of the costs for 4 hospital surveyors and 1 admin team member

Program has reached critical mass of additional work and lack of resources

Proposed fee change

| # of Hospital Beds | Current Fee | Increased Fee |
|--------------------|-------------|---------------|
| <26 | \$1,250 | \$6,250 |
| 26-49 | \$1,850 | \$9,250 |
| 50-99 | \$3,800 | \$14,000 |
| 100-199 | \$6,525 | \$32,625 |
| 200-499 | \$8,500 | \$42,500 |
| 500 beds or more | \$12,070 | \$60,350 |

A hospital would also have to pay a late fee of \$1,250 if the hospital fails to pay the license fee.

Hospital Fee Increase Will Support Hospitals

- Hospitals need better services from HFCLC
 - More technical assistance for licensure issues and to support innovation in delivering care
 - Online licensing and payment system for faster and easier licensing
 - More prompt complaint investigations
- Patients need better services from HFCLC
 - Online license verification
 - Increased transparency of investigational findings
- Oregon needs better services for emergency preparedness and response and technical assistance to OHA partners

Hospital Fee Increase Will Support the Program to:

- Hire additional surveyors to conduct more prompt patient safety investigations and provide more timely technical assistance
- Have dedicated staff to support licensing applications and functions
- Enable development and maintenance of an online licensing database

THANK YOU

