

B-Engrossed House Bill 3942

Ordered by the Senate May 19
Including House Amendments dated April 14 and Senate Amendments
dated May 19

Sponsored by Representative JAVADI; Representatives DIEHL, WRIGHT

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Tells OHA and DHS to create a fast process for issuing licenses for health care facilities. (Flesch Readability Score: 63.6).

Allows a person or *[government]* **governmental** unit to use an expedited licensure process to operate a health care facility, if the license is to operate a health care facility in the same physical location and of the same type as a health care facility that previously operated at the location and the previously operated health care facility closed within the last 24 months voluntarily or due to financial hardship.

Allows an applicant to be issued a provisional license to operate the health care facility while the applicant's application is being processed and reviewed.

[Takes effect on the 91st day following adjournment sine die.]

A BILL FOR AN ACT

Relating to an expedited licensure process for health care facilities.

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

SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS 441.015 to 441.119.

SECTION 2. (1) As used in this section, "applicant" includes a person's or governmental unit's parent corporation or any entity affiliated with the person, governmental unit or parent corporation through ownership, governance, control or membership.

(2) The Oregon Health Authority, for health care facilities, except long term care facilities as defined in ORS 442.015, and the Department of Human Services, for long term care facilities, shall provide for an expedited licensure process.

(3) A person or governmental unit shall be eligible to use the expedited licensure process to apply for a license to operate a health care facility, if the license is to operate a health care facility in the same physical location with no significant structural or functional changes and of the same type as a health care facility that previously operated at the location and the previously operated health care facility closed within the last 24 months and was closed voluntarily or due to financial hardship.

(4) Under the expedited licensure process:

(a) An eligible applicant shall be issued a license to operate a health care facility if:

(A) The applicant currently operates a health care facility that is located in this state and that is of the same type as the health care facility for which the applicant is applying for a license to operate;

(B) The applicant is in good standing under the laws and regulations of this state;

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 (C) There are no current or outstanding compliance issues at any health care facility
2 that the applicant operates located in this state;

3 (D) Each licensed health care provider who works at a health care facility that the ap-
4 plicant operates located in this state holds a license that is in good standing; and

5 (E) The health care facility for which the applicant is applying for a license to operate
6 is in compliance with all rules and regulations of this state that apply to the health care fa-
7 cility.

8 (b)(A) A license to operate a health care facility that is not a long term care facility shall
9 be issued within 45 days after the date on which an application is filed if the health care fa-
10 cility meets the criteria listed under paragraph (a) of this subsection, unless a waiver is
11 granted under paragraph (c) of this subsection.

12 (B) A license to operate a health care facility that is a long term care facility shall be
13 issued as soon as reasonably practicable after an application is filed if the health care facility
14 meets the criteria listed under paragraph (a) of this subsection, unless a waiver is granted
15 under paragraph (c) of this subsection.

16 (c) Waivers for construction and inspection requirements shall be granted as appropriate.

17 (5)(a) An applicant shall be issued a provisional license to operate the health care facility
18 while the applicant's application is being processed and reviewed under subsection (4) of this
19 section, if:

20 (A) The applicant submits an attestation that the applicant and health care facility meet
21 all health and safety rules and regulations that apply to the health care facility; and

22 (B) Upon conducting a site inspection under paragraph (b) of this subsection, the au-
23 thority or department finds that the operation of the health care facility does not place pa-
24 tient health or safety in immediate jeopardy.

25 (b) Prior to issuing a provisional license, the authority or department shall conduct an
26 in-person site inspection of the health care facility under ORS 441.025.

27 (c) The authority or department may prescribe by rule a fee to be charged for a provi-
28 sional license.

29 (6) A license may not be issued under this section for a health care facility if a certificate
30 of need is required under ORS 442.315 and has not been obtained.