

C-Engrossed House Bill 3942

Ordered by the Senate June 23
Including House Amendments dated April 14 and Senate Amendments
dated May 19 and June 23

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 to create a fast process for the issuance of licenses for health care facilities. (Flesch Readability Score: 63.6).

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

Directs the Oregon Health Authority to provide for an expedited licensure process for health care facilities, except long term care facilities and residential facilities that primarily serve persons under 21 years of age.

Allows a person or governmental unit to use *[an]* **the** expedited licensure process to *[operate a health care facility, if the license is]* **apply for a license** to operate a health care facility **that is** 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 **was** closed within the last *[24]* **60** 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.

Makes a person or governmental unit ineligible to use the expedited licensure process if the person or governmental unit voluntarily surrendered a license to operate a health care facility under certain circumstances.

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:

(a) **"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.

(b) **"Health care facility"** does not include a:

(A) **Long term care facility.**

(B) **Residential facility that primarily serves persons under 21 years of age.**

(2) **The Oregon Health Authority shall provide for an expedited licensure process under ORS 441.015 to 441.119 for health care facilities.**

(3)(a) **Under the expedited licensure process, the authority shall issue an applicant a license to operate a health care facility if:**

(A) **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**

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 closed within the last 60 months and was closed voluntarily or due to financial hardship;

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

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

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

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

10 (F) The health care facility for which the applicant is applying for a license to operate is
11 in compliance with all rules and regulations of this state that apply to the health care facil-
12 ity.

13 (b) The authority shall issue a license to operate a health care facility within 45 days
14 after the date on which an applicant files an application if the applicant and health care fa-
15 cility meet the requirements listed under paragraph (a) of this subsection or receive a waiver
16 for a requirement under paragraph (c) of this subsection.

17 (c) The authority shall grant, as appropriate, waivers for construction and inspection
18 requirements.

19 (4)(a) The authority shall issue an applicant a provisional license to operate the health
20 care facility while the applicant's application is being processed and reviewed under sub-
21 section (3) of this section, if:

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

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

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

29 (c) The authority may prescribe by rule a fee to be charged for a provisional license.

30 (5) A person or governmental unit is ineligible to use the expedited licensure process if:

31 (a) The person or governmental unit voluntarily surrendered a license to operate a health
32 care facility during the course of a licensing or abuse investigation;

33 (b) The person or governmental unit voluntarily surrendered the license as part of a ne-
34 gotiated agreement, settlement or resolution to avoid a license revocation; and

35 (c) The authority suspended or imposed conditions on the license within the 12 months
36 immediately preceding the date on which the person or governmental unit surrendered the
37 license.

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