SB 739-3 (LC 3444) 3/12/25 (RH/ps)

Requested by Senator GELSER BLOUIN

## PROPOSED AMENDMENTS TO SENATE BILL 739

1 On <u>page 1</u> of the printed bill, line 3, after "443.441," insert "443.444, 2 443.875,".

3 Delete lines 5 through 25 and delete pages 2 through 7 and insert:

4 **"SECTION 1.** ORS 443.441 is amended to read:

5 "443.441. (1) As used in this section:

6 "(a) 'Consistently' means regularly and typically.

"(b) 'Direct care staff' means staff who provide services for residents that
include assistance with daily living, medication administration, residentfocused activities, supervision and support.

10 "(c) 'Facility' includes a:

11 "(A) Residential care facility as defined in ORS 443.400; and

"(B) Facility with a memory care endorsement under ORS 443.886.

"(d) 'License condition' has the meaning given that term in ORS
441.736.

"(2) In determining whether a facility has qualified awake direct care staff in sufficient numbers to meet the scheduled and unscheduled needs of each resident 24 hours a day as prescribed by rule, the Department of Human Services shall conduct an assessment, in accordance with rules for home and community-based settings adopted by the Centers for Medicare and Medicaid Services, and consider whether the facility consistently:

<sup>21</sup> "(a) Implements and maintains a current person-centered service plan for

each resident as required by rule by the Centers for Medicare and Medicaid
 Services;

"(b) Provides timely access, 24 hours a day, to all supports needed for
activities of daily living including eating, hydration, toileting, hygiene,
bathing, dressing, oral care and other supports included in the resident's
person-centered service plan;

"(c) Provides a timely response to issues impacting the dignity of the
resident, including but not limited to wet or soiled briefs, clothing or linens;
and

"(d) Delivers care according to the schedule and procedures outlined in the resident's person-centered service plan, including but not limited to wound care, medication administration, pain control, behavior support, cueing and repositioning.

"(3) For a complaint of a licensing violation, other than abuse, that alleges harm or potential harm to a resident or for a complaint that a facility does not have qualified awake direct care staff in sufficient numbers to meet the scheduled and unscheduled needs of each resident 24 hours a day:

18 "(a) The department shall begin [an investigation without undue delay]:

"(A) An on-site complaint investigation within 24 hours or before
 the end of the next business day for a complaint that alleges a li censing violation resulting in death or serious physical injury; and

"(B) A complaint investigation without undue delay for all other
 complaints; and

24 "(b) The investigator shall:

"(A) Assess whether the facility has qualified awake direct care staff in
sufficient numbers to consistently meet the scheduled and unscheduled needs
of each resident 24 hours a day pursuant to the criteria prescribed by rule
under subsection (2) of this section; [and]

"(B) If the complaint alleges harm or potential harm to a resident,
 interview relevant witnesses, including residents, staff, family mem-

bers and staff or volunteers from the Long Term Care Ombudsman;
 and

 $3 \qquad "[(B)]$  (C) Write an investigation report that includes:

4 "(i) The investigator's personal observations;

5 "(ii) A review of documents and records;

6 "(iii) A summary of all witness statements; [and]

"(iv) A statement of the factual basis for the findings for each incident or problem alleged in the complaint, including the investigator's assessment of staffing levels and whether the facility has qualified awake direct care staff in sufficient numbers to consistently meet the scheduled and unscheduled needs of each resident 24 hours a day[.]; and

"(v) Information about any previously unreported licensing violations, contract violations or allegations of abuse identified by the investigator or reported by witnesses during the course of the investigation.

"(4) A complaint investigation under subsection (3) of this section
 is separate from, and not a replacement for, an adult protective ser vices investigation. The department may initiate a complaint investi gation before or at the same time as an adult protective services
 investigation.

"(5) If a complaint investigation under subsection (3) of this section
results in a substantiated finding of a violation, the department shall:
"(a) Immediately notify the facility and the Long Term Care Ombudsman in writing of the department's findings and any license condition or other sanction imposed by the department as a result of the
violation; and

"(b) Provide the facility and the Long Term Care Ombudsman with a summary report of the department's findings. The summary may not include any identifiable information about the resident, except that the report may not be redacted in a way that fails to disclose that 1 death or injury occurred. The summary report must, at a minimum:

"(A) Be written in clear, concise language that is readily comprehensible by the average person; and

"(B) Include the nature of the complaint, the type of violation found by the investigator in the course of the investigation, the nature of the harm experienced by any resident as a result of the violation, whether the violation led to death or physical injury of a resident or staff member and any license condition or other sanction imposed on the facility as a result of the violation.

"(6) Upon receipt of the summary report under subsection (5) of this section, if the department found that the violation resulted in the death of a resident or harm or potential harm to a resident, the facility shall:

"(a) Immediately provide a copy of the summary report to each
 resident in accordance with the resident's individualized care plan,
 each resident's case manager, each resident's guardian or conservator
 and each resident's designated contact persons, as described in ORS
 443.444; and

"(b) If the department imposed a license condition on the facility
 as a result of the violation:

"(A) Immediately post the summary report in the entryway to the
 facility or in an equally prominent place and keep the summary report
 posted until the license condition has been withdrawn by the depart ment; and

"(B) Provide a copy of the summary report to each applicant for
admission to the facility and each new resident of the facility until the
license condition has been withdrawn by the department.

<sup>28</sup> "SECTION 2. ORS 441.736 is amended to read:

<sup>29</sup> "441.736. (1) As used in this section:

30 "(a) 'Immediate jeopardy' means a situation in which the failure of a

SB 739-3 3/12/25 Proposed Amendments to SB 739 residential care facility or a long term care facility to comply with a rule
of the Department of Human Services has caused or is likely to cause serious
injury, serious harm, serious impairment or death to a resident.

4 "(b) 'License condition' includes but is not limited to:

5 "(A) Restricting the total number of residents;

"(B) Restricting the number and impairment level of residents based upon
the capacity of the licensee and staff to meet the health and safety needs of
all residents;

9 "(C) Requiring additional staff or staff qualifications;

10 "(D) Requiring additional training for staff;

11 "(E) Requiring additional documentation; or

12 "(F) Restriction of admissions.

"(c) 'Substantial compliance' means a level of compliance with state law
and with rules of the department such that any identified deficiencies pose
a risk of no more than negligible harm to the health or safety of residents
of a residential care facility or a long term care facility.

"(2)(a) The department may impose a condition on the license of a residential care facility or long term care facility in response to a substantiated finding of rule violation, including but not limited to a substantiated finding of abuse[, and].

"(b) The department shall immediately impose a condition on the license in response to a finding of immediate jeopardy, whether or not the finding of immediate jeopardy is substantiated at the time the license condition is imposed.

<sup>25</sup> "[(b)] (c) The department shall impose a license condition in a scope and <sup>26</sup> manner that is specifically designed to remediate the finding that led to the <sup>27</sup> license condition.

<sup>28</sup> "[(c)] (d) If the department imposes a license condition in response to a <sup>29</sup> finding of immediate jeopardy to residents of the facility, and the finding of <sup>30</sup> immediate jeopardy to residents of the facility is not substantiated within 30 days after the imposition of the license condition, the department shall
 immediately remove the license condition.

"[(d)(A)] (e)(A) Except as provided in subparagraph (B) of this paragraph,
the department shall provide a facility with a notice of impending imposition
of license condition at least 48 hours before issuing an order imposing a license condition. The notice must:

"(i) Describe the acts or omissions of the facility and the circumstances
that led to the substantiated finding of rule violation or finding of immediate
jeopardy supporting the imposition of the license condition;

"(ii) Describe why the acts or omissions and the circumstances create a
 situation for which the imposition of a license condition is warranted;

"(iii) Provide a brief statement identifying the nature of the license con-dition;

"(iv) Provide a brief statement describing how the license condition is
 designed to remediate the circumstances that led to the license condition;
 [and]

"(v) Provide a brief statement of the requirements for withdrawal of the
 license condition; and

"(vi) Provide a brief statement of the requirements under ORS
 443.441 that the facility post the department's summary report and
 provide a copy of the summary report to the parties specified in ORS
 443.441.

"(B) If the threat to residents of a facility is so imminent that the department determines it is not safe or practical to give the facility advance notice, the department must provide the notice required under this paragraph within 48 hours of issuing an order imposing the license condition.

[(e)] (f) An order imposing a license condition must include:

"(A) A specific description of how the scope and manner of the license
 condition is designed to remediate the findings that led to the license con dition; and

1 "(B) A specific description of the requirements for withdrawal of the li-2 cense condition.

"(3) The department may impose a license condition that includes a restriction on admissions to the facility only if the department makes a finding of immediate jeopardy that is likely to present an immediate jeopardy to future residents upon admission.

"(4) Upon receipt of a notice of impending imposition of license
condition under subsection (2) of this section, a facility shall:

"(a) Immediately post the notice on the facility's website and in the
entryway to the facility or in an equally prominent place. The notice
shall remain posted until the license condition has been withdrawn by
the department.

"(b) Immediately provide a copy of the notice to each resident in
 accordance with the resident's individualized care plan, each resident's
 case manager, each resident's guardian or conservator and each
 resident's designated contact persons, as described in ORS 443.444.

"(c) Provide a copy of the notice to each applicant for admission to
the facility and each new resident of the facility until the license
condition has been withdrawn by the department.

20 "[(4)(a)] (5)(a) Following the imposition of a license condition on a facil-21 ity, the department shall:

"(A) Within 15 business days of receipt of the facility's written assertion of substantial compliance with the requirements set forth by the department for withdrawal of the license condition, reinspect or reevaluate the facility to determine whether the facility has achieved substantial compliance with the requirements;

"(B) Notify the facility by telephone or electronic means of the findings
of the reinspection or reevaluation within five business days after completion
of the reinspection or reevaluation; and

30 "(C) Issue a written report to the facility within 30 days after the rein-

spection or reevaluation notifying the facility of the department's determinations regarding substantial compliance with the requirements necessary
for withdrawal of the license condition.

"(b) If the department finds that the facility has achieved substantial compliance regarding the violation for which the license condition was imposed, and finds that systems are in place to ensure similar deficiencies do not reoccur, the department shall withdraw the license condition.

"(c) If after reinspection or reevaluation the department determines that 8 the violation for which the license condition was imposed continues to exist, 9 the department may not withdraw the license condition, and the department 10 is not obligated to reinspect or reevaluate the facility again for 45 days after 11 the first reinspection or reevaluation. The department shall provide the de-12 cision not to withdraw the license condition to the facility in writing and 13 inform the facility of the right to a contested case hearing pursuant to ORS 14 chapter 183. Nothing in this paragraph limits the department's authority to 15visit or inspect the facility at any time. 16

"(d) If the department does not meet the requirements of this subsection, a license condition is automatically removed on the date the department failed to meet the requirements of this subsection, unless the Director of Human Services extends the applicable period for no more than 15 business days. The director may not delegate the power to make a determination regarding an extension under this paragraph.

<u>"SECTION 3.</u> Sections 4 to 6 and 8 of this 2025 Act are added to and
 made a part of ORS 443.400 to 443.455.

"<u>SECTION 4.</u> (1) The Department of Human Services may not grant
 a residential care facility's request for an exception to the require ments of ORS 443.400 to 443.455 or any other licensing requirements
 prescribed by state or federal statute.

29 "(2) If the department, under authority granted by statute or es-30 tablished by rule, approves a request for an exception to a licensing requirement, other than a requirement described in subsection (1) of
this section, the department shall:

"(a) Notify the Long Term Care Ombudsman of the exception request and the department's intent to approve the request no fewer
than seven days before the exception takes effect;

"(b) Except as provided in subsection (3) of this section, publish the
approved exception request on the department's website for as long
as the exception is in effect;

9 "(c) Except as provided in subsection (3) of this section, require the 10 residential care facility to post notice of the exception in a prominent 11 place inside the facility and on the facility's website, in a manner that 12 is accessible to residents and family members and advocates of resi-13 dents; and

(d) No later than February 1 and August 1 of each year, provide a report to the relevant committees of the Legislative Assembly that includes the name of each residential care facility that was granted an exception, the nature of the exception and the dates during which the exception was in effect.

"(3) The requirements to publish an approved exception request on the department's website and to post notice of the exception inside the facility and on the facility's website, as described in subsection (2) of this section, do not apply if the exception was requested by a resident and applies only to the resident or the resident's spouse.

"SECTION 5. If the Department of Human Services completes a facility survey, a complaint investigation or a site visit and determines that a residential care facility has failed to comply with the requirements of ORS 443.400 to 443.455 or rules adopted to implement ORS 443.400 to 443.455, the department shall:

<sup>29</sup> "(1) Issue a deficiency notice to the facility; and

30 "(2) Conduct an on-site visit to confirm that the facility fully cor-

rects in a timely manner any deficiency that caused harm or poses a
 risk of causing serious harm or physical injury to a resident.

<u>SECTION 6.</u> (1) As used in this section, 'administrator' means a
residential care facility administrator as defined in ORS 678.710.

5 "(2) When the Department of Human Services issues an initial li-6 cense to a residential care facility under ORS 443.415, the facility shall 7 retain the services of a consultant with experience in providing resi-8 dential care. If the facility has a memory care endorsement under ORS 9 443.886, the consultant must have experience operating a facility with 10 a memory care endorsement.

11 "(3) A consultant shall be retained under this section for:

"(a) At least the first six months of the residential care facility's
 operation if:

"(A) The owner or operator of the facility has not previously oper ated a residential care facility, including an assisted living facility, in
 this state;

"(B) The owner or operator of the facility operated a residential
 care facility, residential training facility or residential training home
 that had a condition imposed on its license within the preceding 24
 months; or

"(C) The administrator has not been an administrator in this state
within the preceding 12 months.

"(b) At least the first 12 months of the residential care facility's
operation if the facility has a memory care endorsement under ORS
443.886 and:

26 "(A) The owner or operator of the facility has not previously oper-27 ated a facility with a memory care endorsement in this state;

"(B) The owner or operator of the facility operated a residential
 care facility, residential training facility or residential training home
 that had a condition placed on its license within the preceding 24

1 months; or

"(C) The administrator has not been an administrator of a facility
with a memory care endorsement in this state within the preceding
12 months.

5 "(4) If a residential care facility is required under this section to 6 retain the services of a consultant, before the facility may admit a 7 resident, the administrator shall notify the department of:

8 "(a) The name and contact information of the consultant retained
9 under this section; and

10 "(b) The start and end dates of the contract with the consultant.

11 "(5) If a residential care facility is required, under this section or 12 through an action imposed by the department, to retain the services 13 of a consultant and those services are terminated by either the con-14 sultant or the facility before the expected termination date, the facil-15 ity shall immediately notify the department of the termination, retain 16 the services of a new consultant and notify the department of:

"(a) The name and contact information of the new consultant; and
"(b) The start and end dates of the contract with the new consultant.

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"<u>SECTION 7.</u> ORS 443.416 is amended to read:

"443.416. (1)(a) The Director of Human Services or authorized represen-21tative shall [periodically] visit and inspect every residential care facility, 22residential training facility or residential training home to determine 23whether it is maintained and operated in accordance with ORS 443.400 to 24443.455 and the rules of the director, and to consult with and advise man-25agement concerning methods of care, treatment, training, records, housing 26and equipment. Employees of the Department of Human Services and the 27State Fire Marshal or authorized representative on request shall be permit-28ted access to the premises and records of individuals in the facility or home 29 that are pertinent to fire safety. 30

SB 739-3 3/12/25 Proposed Amendments to SB 739 "(b) After the department issues an initial license to a residential
care facility under ORS 443.415, the department shall conduct at least
one unannounced, in-person inspection no sooner than three months
and no later than six months after the admission of the first resident.

"(2) The Director of the Oregon Health Authority or authorized repre- $\mathbf{5}$ sentative shall periodically visit and inspect every residential treatment fa-6 cility or residential treatment home to determine whether it is maintained 7 and operated in accordance with ORS 443.400 to 443.455 and the rules of the 8 director, and to consult with and advise management concerning methods of 9 care, treatment, training, records, housing and equipment. Employees of the 10 Oregon Health Authority and the State Fire Marshal or authorized repre-11 sentative on request shall be permitted access to the premises and records 12 of individuals in the facility or home that are pertinent to fire safety. 13

"<u>SECTION 8.</u> (1) As used in this section, 'administrator' means a
 residential care facility administrator as defined in ORS 678.710.

"(2) If an administrator will be absent from a residential care fa cility for more than 10 consecutive business days or for more than 20
 calendar days in any 90-day period, the residential care facility shall
 immediately notify the Department of Human Services.

"(3) If a residential care facility changes or plans to change the
 facility's administrator:

"(a) The facility shall notify the department as soon as practicable,
but in no case later than five calendar days after the effective date of
the change. The notice must include:

"(A) Information regarding the new administrator's active license
 issued under ORS 678.710 to 678.820; and

27 **"(B) An affirmation stating:** 

"(i) That the new administrator will have an approved background
check before assuming the duties of administrator; or

30 "(ii) If the new administrator had an approved background check

that was completed in this state within the preceding six months, that the new administrator will complete any additional background check required for an administrator within 90 days of assuming the duties of administrator.

5 "(b) The facility shall notify each resident and each resident's des-6 ignated contact persons, as described in ORS 443.444, as soon as prac-7 ticable, but in no case later than three business days after the 8 effective date of the change. The notice must include:

9 "(A) The name of the new administrator;

10 "(B) The status of the new administrator's license; and

11 "(C) Other information, as required by the department by rule.

"(4) The department shall adopt rules to establish procedures for
 increased communication with and technical assistance to a facility
 that changes the facility's administrator more than three times in any
 24-month period.

<sup>16</sup> **"SECTION 9.** ORS 678.720 is amended to read:

"678.720. (1)(a) Unless an individual holds an active license issued under
ORS 678.710 to 678.820, an individual may not:

19 "(A) Practice or offer to practice as a nursing home administrator; or

"(B) Use in connection with the name of the individual the words or letters 'nursing home administrator,' 'NHA' or any other words, letters or abbreviations or insignia tending to indicate that the individual is a licensed nursing home administrator.

"(b) A nursing home must be conducted or operated under the supervision
of a nursing home administrator who holds an active license issued under
ORS 678.710 to 678.820.

"(2)(a) Unless an individual holds an active license issued under ORS
678.710 to 678.820, an individual may not:

"(A) Practice or offer to practice as a residential care facility adminis trator; or

"(B) Use in connection with the name of the individual the words or letters 'residential care facility administrator,' 'RCFA' or any other words, letters or abbreviations or insignia tending to indicate that the individual is a licensed residential care facility administrator.

5 "(b) [Subject to rules adopted under paragraph (c) of this subsection,] A 6 residential care facility must be conducted or operated under the supervision 7 of a residential care facility administrator who holds an active license issued 8 under ORS 678.710 to 678.820.

9 "(c) The Department of Human Services shall adopt rules to allow a res-10 idential care facility to be **temporarily** operated by an individual who is not 11 a residential care facility administrator who holds an active license under 12 ORS 678.710 to 678.820 in [*transitional, emergency and similar situations*] **an** 

13 emergency situation. The rules shall require, at a minimum, that:

"(A) A residential care facility may not retain an administrator who
 does not hold an active license under ORS 678.710 to 678.820 for more
 than 30 calendar days in any 18-month period;

"(B) The facility shall retain the services of a consultant who holds
 an active license under ORS 678.710 to 678.820 to support the unlicensed
 administrator; and

20 "(C) The facility shall immediately notify in writing the depart-21 ment, the Long Term Care Ombudsman, each resident and each 22 resident's designated contact persons, as described in ORS 443.444:

"(i) That the temporary administrator does not hold an active li cense;

"(ii) The expected date for the assignment of a licensed adminis trator;

"(iii) The name of the consultant retained to support the unlicensed
 administrator; and

29 "(iv) Information about how to report concerns about the adminis-30 tration of the facility to the department, the Long Term Care Om1 budsman and the owner or operator of the facility.

"(3) Nothing in this section prohibits a licensed nursing home administrator or residential care facility administrator from delegating duties or authority to another qualified employee of the nursing home or facility during the hours that the administrator is not on duty or during the administrator's temporary planned or unplanned absence from the nursing home or facility that does not exceed 28 calendar days.

9 "SECTION 10. ORS 443.886 is amended to read:

"443.886. (1) If a facility intends to provide care for residents with 10 11 Alzheimer's disease or other forms of dementia by means of an endorsed memory care community, the facility must obtain a memory care endorse-12 ment on its license or registration. A memory care endorsement may be 13 issued only if the applicant has at least two years of experience oper-14 ating in good standing a licensed residential care facility, including 15an assisted living facility, or a long term care facility as defined in 16 ORS 442.015. 17

"(2) The Department of Human Services, with the input from representatives of advocate groups and the long term care industry, shall adopt by rule standards that ensure that the special needs of any resident with Alzheimer's disease or other form of dementia who is cared for in an endorsed memory care community are met and that quality care is provided. The standards must include but are not limited to provisions for:

"(a) Care planning, including physical design, staffing, staff training,
safety, egress control, individual care planning, admission policy, family involvement, therapeutic activities and social services;

27 "(b) Continuity of basic care requirements; and

"(c) Marketing and advertising of the availability of and services from
endorsed memory care communities.

30 "(3) The department shall adopt a fee schedule for memory care endorse-

1 ment, taking into account the type of facility and the number of residents.

"(4) The department shall enforce rules adopted under subsection (2) of this section and ORS 443.889 and shall allow a licensee or registrant to retain the memory care endorsement required to care for residents with Alzheimer's disease or other forms of dementia only as long as the licensee or registrant complies with the rules.

"(5) The memory care endorsement may be suspended or revoked in the
same manner as the license or registration is suspended or revoked.

9 "(6) Unless a facility has obtained the memory care endorsement required 10 by subsection (1) of this section, the facility may not:

"(a) Advertise the facility as providing an Alzheimer's care unit or memory care community; or

"(b) Market the facility as providing an Alzheimer's care unit or memory
 care community.

<sup>15</sup> "<u>SECTION 11.</u> ORS 443.444 is amended to read:

"443.444. Upon the admission of a resident to a residential carefacility[,]:

"(1) The facility shall provide the resident with information developed by
 the Long Term Care Ombudsman describing the availability and services of
 the ombudsman.

"(2) The facility shall obtain from the resident, the resident's 21guardian or the resident's legal representative a list of designated in-22dividuals to be contacted when the facility is required to provide no-23tification regarding a change in management or ownership, findings 24of violation or abuse by the facility or the imposition of license con-25ditions or other sanctions on the facility by the Department of Human 26Services. The list shall include the full name, preferred contact infor-27mation and preferred language of each designated individual. The fa-28cility shall update the list immediately upon written notification from 29 the resident, the resident's guardian or the resident's legal represen-30

## 1 tative.

<sup>2</sup> "SECTION 12. ORS 443.875 is amended to read:

"443.875. (1) If the Department of Human Services or the Oregon Health
Authority substantiates an allegation of abuse that occurred in a facility, the
department or authority shall immediately notify the facility of its findings.
"(2) Upon receipt of the notice described in subsection (1) of this section,
a facility shall provide written notice of the findings to the individual found
to have committed abuse, the residents of the facility, the residents' case

9 managers [and], the residents' guardians, conservators and legal repre10 sentatives and the residents' designated contact persons, as described
11 in ORS 443.444.

"(3) An application for employment at a facility must inquire whether the
 applicant has been found to have committed abuse.

14 "(4) As used in this section:

<sup>15</sup> "(a) 'Abuse' has the meaning given that term in ORS 430.735.

16 "(b) 'Facility' means:

17 "(A) A residential facility as defined in ORS 443.400; or

18 "(B) An adult foster home as defined in ORS 443.705.

"<u>SECTION 13.</u> (1) The amendments to ORS 443.441 by section 1 of
 this 2025 Act apply to complaints submitted on or after the effective
 date of this 2025 Act.

"(2) The amendments to ORS 441.736 by section 2 of this 2025 Act
apply to findings of immediate jeopardy made on or after the effective
date of this 2025 Act.

"(3) Section 4 of this 2025 Act applies to requests for exceptions
 made on or after the effective date of this 2025 Act.

"(4) Section 5 of this 2025 Act applies to compliance determinations
 made on or after the effective date of this 2025 Act.

"(5) Section 6 of this 2025 Act and the amendments to ORS 443.416
by section 7 of this 2025 Act apply to initial licenses issued on or after

1 the effective date of this 2025 Act.

"(6) Section 8 of this 2025 Act applies to administrator absences
beginning, and administrator changes occurring, on or after the effective date of this 2025 Act.

"(7) The amendments to ORS 443.886 by section 10 of this 2025 Act
apply to memory care endorsements issued on or after the effective
date of this 2025 Act.

"(8) The amendments to ORS 443.875 by section 12 of this 2025 Act
apply to notices of substantiated abuse issued on or after the effective
date of this 2025 Act.".

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