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Date: March 18, 2025

To: Chair Gelser Blouin, Vice-Chair Linthicum and Members of the Senate Committee on Human Services

From: LeadingAge Oregon

Subject: SB 739 (-3) Amendment

LeadingAge Oregon is an association of affordable housing and long-term care providers. At this time, we oppose SB 739 and the -3 Amendment.

We appreciate the opportunity to participate in the workgroup discussions on this bill and value the collaboration among stakeholders and consumer advocates. We all share the same priority ensuring positive outcomes for older adults living in our communities. However, the -3 amendment introduces significantly more provisions than the original bill, and key concerns remain unaddressed.

Consumer Notification. We are concerned the -3 amendment imposes excessive and impractical consumer notification requirements.

- Overly Broad and Burdensome Reporting Requirements. The bill mandates immediate notification to all designated contacts for any violation resulting in "potential harm", a vague and subjective standard that could apply even to minor technical licensing issues. Additionally, this would create a significant administrative burden for providers, requiring extensive time
- and resources to manage. We recommend establishing a clear and appropriate threshold for when residents should receive notice of regulatory actions against a provider.
- Excessive Notifications Dilute Critical Information. Residents already receive multiple notices related to their care. Flooding them with regulatory updates - many of which may have no direct impact on their daily lives - diminishes the effectiveness of truly important communications.
- Website Mandates. The bill shifts the responsibility of updating and maintaining state licensing and regulatory compliance information from ODHS to individual providers. Many providers lack dedicated staff for frequent website updates, and multi-site communities often do not maintain individual pages for each location. Requiring providers to manage and post regulatory notices is an unnecessary burden when ODHS already maintains a publicly available website for this purpose. Feedback from this workgroup has made it clear that ODHS's website is not consumer-friendly. Rather than shifting this responsibility onto providers, we recommend addressing the root cause by ensuring ODHS has a functional, accessible platform that meets consumer needs. As a compromise, we recommend a one-time update to provider websites that links to ODHS's regulatory information, ensuring

consumers are aware of where to find this information and can easily access it in a centralized, reliable location.

Consultant requirements. We are concerned that the -3 amendment imposes unnecessary consultant requirements on experienced providers.

- Eliminates the Option to Use a Management Company. The -3 amendment removes the current allowance for providers to use a management company for oversight, instead forcing them to hire a consultant. Providers and management companies with years of experience operating in Oregon should not be subjected to unnecessary costs for additional oversight.
- Mandates a Consultant for Any License Condition in the Past Two Years. The amendment requires a consultant for any operator with a license condition in the last two years, regardless of whether the issue was a minor technical infraction or unrelated to care quality.
- Requires a Consultant for Administrators Who Haven't Been Licensed in Oregon for 12 Months. Oregon issues administrator licenses to individuals who meet the required qualifications. If someone has already been licensed, there is no justification for requiring an additional consultant.

Additional Concerns:

Advance Notice to the Long Term Care Ombudsman (LTCO). The bill requires advance notice to the LTCO before granting an exception, which implies the LTCO is part of the approval process rather than simply being informed. While we have no concerns with ODHS sharing this information, we recommend clarifying the language to state that the LTCO must receive notification "within seven days of the decision" rather than before the exception takes effect.

Administrator Absence Notification. The bill requires ODHS to be notified if an administrator is absent for 10 business days. Since a two-week (10 business day) vacation is a standard and reasonable amount of time off, **we recommend extending this requirement to 12 business days**. Additionally, it is unclear what ODHS intends to do with this data, and we request clarification.

Expanding Investigation Scope Without Merit. The -3 amendment includes language stating that "information about any previously unreported licensing violations, contract violations, or allegations of abuse" identified by the investigator or reported by witnesses must be included in an investigation. We are concerned that this opens the door to unrelated or unverified complaints that may have no merit or connection to the original investigation. We recommend amending the language to specify that only previously unreported and directly related violations should be included in an investigation.

Respectfully submitted,

Kristin Milligan Chief Executive Officer LeadingAge Oregon