



Health Facility Licensing and Certification

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Adding ASCs to Hospital Licenses During COVID-19 Surge

As part of the Centers for Medicaid and Medicare (CMS) nationwide, blanket [§1135 waiver](#), Temporary Expansion Locations section, hospitals may now add Ambulatory Surgery Centers (ASCs) to the hospital license to expand capacity for inpatient, outpatient and Emergency Department Services. Expanding hospital capacity by utilizing an ASC that has ceased operation because of the Governor's ban on elective procedures is a preferred model. While an ASC could, from a CMS standpoint, enroll as a hospital, Oregon still has hospital licensure and Certificate of Need requirements that pose barriers to ASC's becoming new, independent hospitals.

Governance

The ASC must be operated by the hospital and used exclusively for hospital patients for the duration of the temporary hospital license at the ASC. The ASC is subject to the Centers for Medicare & Medicaid Services (CMS) hospital Conditions of Participation, except for those Conditions waived under the nationwide, blanket §1135 waiver and state hospital regulations that are not waived to correspond to the nationwide waiver. While an ASC is operating under the temporary hospital license the CMS ASC Conditions of Participation and the Oregon regulations for ASCs do not govern the facility, because it is operated by and regulated as part of a hospital.

Services

The hospital and ASC together may determine the scope of services of the ASC location based on the physical environment, equipment, and staffing. Services provided under the hospital license at the ASC may include services that would otherwise have been performed at the hospital or at the ASC under the ASC license. Services prohibited under [Executive Order 20-10](#) as described in [Interim COVID-19 Guidance for Elective and Non-Urgent Healthcare Procedures](#) may not be performed at any hospital licensed location including ASCs licensed as temporary hospital locations.

Locations

ASCs added to a hospital license may be on- or off-campus. An off-campus ASC must be within 35 miles of the hospital campus to be added to the hospital license.

Staffing

The hospital must staff the ASC in accordance with the CMS hospital Conditions of Participation for Nursing Services and Patients' Rights except for elements of those Conditions that have been waived by CMS. The hospital and ASC together may agree to incorporate ASC staff into hospital staff in order to provide care at the ASC location or other locations operated by the hospital. While an ASC is operated under a hospital license it is subject to the Oregon Nurse Staffing regulations including the emergency provisions in Oregon Administrative Rules [333-510-0130\(10\)](#) and [333-510-0140](#).

Financial Structure

Services performed at hospital licensed locations should be billed under the hospital license. The hospital and ASC together can determine the financial structure of their relationship.

Process

Hospitals must complete a [Hospital License – Temporary Space for Covid-19 Application](#) to add an on- or off-campus ASC to the hospital license. Submit completed applications to mailbox.hclc@state.or.us. Health Facility Licensing and Certification is processing these applications as they arrive and will notify the hospital of approved license changes by email.

If you need this material in an alternate format,
please call (971) 673-0540 or TTY (711).