# SENATE BILL REPORT SHB 2087

As Reported By Senate Committee On: Ways & Means, March 30, 2007

Title: An act relating to certification and recertification of health care facilities.

Brief Description: Regarding the certification and recertification of health care facilities.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Fromhold, Hinkle, Cody and Moeller).

**Brief History:** Passed House: 3/13/07, 95-1. **Committee Activity:** Ways & Means: 3/20/07, 3/30/07 [DP, w/oRec].

## SENATE COMMITTEE ON WAYS & MEANS

#### Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Fairley, Hatfield, Hewitt, Hobbs, Honeyford, Keiser, Kohl-Welles, Oemig, Parlette, Rasmussen, Regala, Roach, Rockefeller, Schoesler and Tom.

**Minority Report:** That it be referred without recommendation. Signed by Senator Carrell.

Staff: Elaine Deschamps (786-7441)

**Background:** Federal certification allows health care providers to participate in Medicare/ Medicaid programs and receive reimbursement for services rendered. The Department of Health (DOH) conducts certification work for these health facilities under an agreement with the Center for Medicare and Medicaid Services (CMS). CMS issues grants to DOH for certification activities, including complaint investigations, surveys for re-certification of existing facilities, and initial certification of new facilities. Facilities covered by this grant include hospitals, home health agencies, rehabilitation services, rural health clinics, ambulatory surgery centers, and kidney dialysis centers.

CMS prioritizes the workload, with re-certification and complaint investigation ranking higher in priority than certification of new facilities. If federal grant funding is not sufficient, the department must conduct certification work according to the CMS priority ranking. Four of the six facilities covered by this grant may obtain federal certification through independent accrediting organizations; however, rural health clinics and kidney dialysis centers cannot

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obtain certification because there is no independent accrediting organization for these facilities.

**Summary of Substitute Bill:** The DOH may assess fees for the certification and recertification of health care facilities when the federal government does not provide sufficient funding to cover all certifications and recertifications.

## Appropriation: None.

Fiscal Note: Available.

### Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony (on companion SB 5941):** PRO: We support this approach of assessing fees for certification of the new kidney dialysis centers so they can open their doors to patients in need of services.

**Persons Testifying:** PRO: David Natali, DaVita Inc.; Gail McGaffick, Fresenius Medical Care; Vicki Austin, NW Kidney Centers.