

# FINAL BILL REPORT

## ESHB 2229

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C 98 L 12  
Synopsis as Enacted

**Brief Description:** Regarding reporting compensation of certain hospital employees.

**Sponsors:** House Committee on Health Care & Wellness (originally sponsored by Representatives Jinkins, Hasegawa, Darneille, Wylie, Cody and Roberts).

**House Committee on Health Care & Wellness**  
**Senate Committee on Health & Long-Term Care**

**Background:**

The Department of Health licenses 97 hospitals in Washington. Of these, 87 are either nonprofit hospitals or public hospital district hospitals.

Among the reporting requirements for hospitals, they must submit financial and discharge data to the Department of Health on a quarterly and annual basis. Each quarter, hospitals must submit utilization and financial reports. Each year, hospitals must submit their annual budgets at least 30 days before the beginning of their fiscal years and file year-end reports within 120 days of the close of their fiscal years.

**Summary:**

Nonprofit and public hospital district hospitals must annually report certain employee compensation information to the Department of Health (Department). The requirement begins with employee compensation information for 2012.

The reporting requirement may be satisfied in one of two ways. First, within 135 days of the end of the hospital's fiscal year, the hospital may file the schedule of its federal Internal Revenue Service (IRS) Form 990 that contains compensation information. If the hospital elects to report by means of the Form 990 and the information does not identify the compensation of the hospital's lead administrator, the hospital must additionally report that individual's compensation information.

Alternatively, within 135 days of the end of the calendar year, the hospital may submit the names and compensation information for the five highest compensated employees of the hospital who do not have any direct patient responsibilities. The term "compensation"

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includes base compensation, bonus and incentive compensation, other payments that qualify as reportable compensation, retirement and deferred compensation, and nontaxable benefits.

The Department shall develop a form for hospitals to use when reporting compensation. The form shall follow the format and requirements of the compensation portion of the Form 990.

**Votes on Final Passage:**

House	71	26
Senate	46	2

**Effective:** June 7, 2012