SENATE BILL REPORT SHB 1575

As Reported by Senate Committee On: Health & Long-Term Care, March 21, 2011

Title: An act relating to clarifying which surgical facilities the Washington state department of health is mandated to license pursuant to chapter 70.230 RCW

Brief Description: Clarifying which surgical facilities the Washington state department of health is mandated to license pursuant to chapter 70.230 RCW.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Cody, Green, Van De Wege, Moeller and Jinkins).

Brief History: Passed House: 3/04/11, 97-0.

Committee Activity: Health & Long-Term Care: 3/17/11, 3/21/11 [DP].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; Becker, Ranking Minority Member; Carrell, Kline, Murray, Parlette, Pflug and Pridemore.

Staff: Kathleen Buchli (786-7488)

Background: The Department of Health (DOH) began licensing ambulatory surgical facilities in 2009. An ambulatory surgical facility is defined as a distinct entity that primarily provides specialty or multispecialty outpatient surgical services and discharges patients within 24 hours of admission. There are three exemptions from this definition for (1) dental offices; (2) hospital-affiliated ambulatory surgical facilities; and (3) outpatient surgical services that are routinely performed in the office of a practitioner that do not require general anesthesia. In implementing the licensing program, DOH issued an interpretive statement that limited the licensing requirement to only those facilities that perform outpatient surgeries and use general anesthesia.

The Medical Quality Assurance Commission adopted rules in September 2010 that regulate office-based surgery. These rules establish standards for the performance of surgery in a physician's office where the physician uses moderate sedation, deep sedation, or major conduction anesthesia. The rules do not apply to procedures that (1) use very low levels of

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sedation or anesthesia; (2) are performed in a hospital or ambulatory surgical facility setting; or (3) use general anesthesia.

Summary of Bill: For licensing purposes, ambulatory surgical facilities are defined to include surgical suites that are adjacent to the office of a practitioner if the primary purpose of those suites is to offer specialty or multispecialty outpatient surgical services, regardless of the type of anesthesia used. The definition further specifies that the surgical suites may share certain features with the office of a practitioner, including a reception area, restroom, waiting room, and walls.

The exemption from ambulatory surgical facility regulation for outpatient surgical services routinely performed in a practitioner's office is limited by the condition that specialty and multispecialty services not be the primary purpose of the office. The exemption is further limited by providing that any surgical services in which the use of general anesthesia is planned, must be performed in an ambulatory surgical facility or a hospital.

Entities that had been licensed by DOH as ambulatory surgical facilities as of July 1, 2009, and were later declared not to meet the definition of an ambulatory surgical facility must be deemed as having complied with the survey requirement for their initial license applications as ambulatory surgical facilities.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill relates to a DOH decision which resulted in 60 licensed facilities becoming unlicensed. DOH had licensed these facilities, but later determined that these facilities did not meet the definition of a facility required to be licensed. This bill would return these facilities to licensed facilities. Not permitting these facilities to be licensed will negatively impact the facility and patient care. DOH cannot inspect unlicensed facilities and unlicensed facilities are not required to report adverse events. There is a concern that these facilities will not be regarded as quality health care facilities if they are not licensed.

Persons Testifying: PRO: Representative Cody, prime sponsor; Emily Studebaker, Lisa Everson, Washington Ambulatory Surgery Center Association.