

# HOUSE BILL REPORT

## SHB 2574

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*As Passed House  
February 13, 1992*

**Title:** An act relating to the definition of hospital in regard to self-insurers.

**Brief Description:** Defining hospital in regard to self-insurers.

**Sponsor(s):** By House Committee on Commerce & Labor (originally sponsored by Representatives Jones, G. Cole, Heavey and Fuhrman; by request of Department of Labor & Industries).

**Brief History:**

Reported by House Committee on:  
Commerce & Labor, February 6, 1992, DPS;  
Passed House, February 13, 1992, 96-0.

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**HOUSE COMMITTEE ON  
COMMERCE & LABOR**

**Majority Report:** *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 11 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Fuhrman, Ranking Minority Member; Lisk, Assistant Ranking Minority Member; Franklin; Jones; R. King; O'Brien; Prentice; Vance; and Wilson.

**Staff:** Chris Cordes (786-7117).

**Background:** Under the state industrial insurance system, certain hospital employees may be covered through one of two self-insurance groups, one for public hospitals and one for private hospitals. The definition of "hospital" for the purpose of authorizing these groups refers to a statute that was repealed in 1990 when the Washington State Hospital Commission was repealed.

**Summary of Bill:** The authority for hospitals to form industrial insurance self-insurance groups is amended by deleting the reference to a repealed definition of "hospital." A new definition is added that includes hospitals under the hospital licensing statute and hospitals regulated as psychiatric hospitals, but excludes beds used by a comprehensive cancer center for cancer research. A

reference is deleted that limited the self-insurance group for non-public hospitals to not-for-profit hospitals.

**Fiscal Note:** Not requested.

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

**Testimony For:** The bill is needed to correct a statutory reference to the Washington Hospital Commission statute, which has been repealed. The bill also reflects a policy change for private hospitals that has been in place since 1987. The self-insurance group for private hospitals no longer makes a distinction between nonprofit and profit-making hospitals.

**Testimony Against:** None.

**Witnesses:** (In favor) Representative Evan Jones, prime sponsor; and Jody Moran, Department of Labor and Industries.