

# HOUSE BILL REPORT

## HB 2725

---

---

**As Reported By House Committee On:**  
Health Care

**Title:** An act relating to financing of expenses for hospital data collection and reporting.

**Brief Description:** Revising financing of expenses for hospital data collection and reporting.

**Sponsors:** Representatives Dyer and Cody; by request of Governor Lowry.

**Brief History:**

**Committee Activity:**

Health Care: 2/1/96, 2/2/96 [DPS].

---

### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Hymes, Vice Chairman; Cody, Ranking Minority Member; Murray, Assistant Ranking Minority Member; Campbell; Casada; Conway; Crouse; Morris; Sherstad; Skinner and H. Sommers.

**Staff:** Antonio Sanchez (786-7383).

**Background:** The Department of Health maintains two data systems, the Comprehensive Hospital Abstract Reporting System (CHARS) and the Financial Data Collections System. The two systems are funded through an assessment paid by hospitals. The data in these systems represents the most comprehensive health information that is being collected by the department from health provider organizations and is used by a variety of public and private entities. Some of the most important uses for this data by the state are to establish reimbursement rates for Medicaid services, to provide health care access and insurance coverage tracking, and for labor and industries claims. As many as 600 requests per year are made for this hospital data information.

Recent information regarding the collection of the fees charged to hospitals to operate and maintain this health care information system indicated that a more streamlined and fair assessment method should be implemented. The broad usage of the

information gathered from the system has been indicated by the department as cause to transfer the funding to the Health Services Account.

**Summary of Substitute Bill:** The data assessment fee on hospitals is eliminated. Financing for the collection and reporting of hospital data will be taken from the general fund account. Any balances remaining in the Hospital Commission Account after June 30, 1996, must be moved to the general fund account. In the event that funding has been depleted in the general fund account, the hospital assessment will be reinstated.

**Substitute Bill Compared to Original Bill:** The Health Services Account is replaced by the general fund as the funding source for conducting the hospital data collections reporting activities.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** This measure will result in greater equity in payment of fees for the hospitals who are not the sole users of this account.

**Testimony Against:** None.

**Testified:** Elizabeth Ward, Department of Health.