
HOUSE BILL 2759

State of Washington 56th Legislature 2000 Regular Session

By Representatives Grant, Mastin, Haigh and Edwards

Read first time 01/19/2000. Referred to Committee on Health Care.

1 AN ACT Relating to public health; amending RCW 70.38.025; and
2 creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds that cardiovascular
5 disease is the leading cause of death in Washington state, accounting
6 for approximately forty-two percent of all deaths. The legislature
7 also finds that many of these deaths can be prevented or delayed by
8 reducing risk factors and improving access to services. Some rural
9 areas, such as Walla Walla county, have a disproportionately high
10 average annual rate for heart disease while lacking access to available
11 life-saving medical resources. The legislature further finds that
12 access to quality coronary tertiary health care services must be
13 assured, especially for rural communities. The purpose of this act is
14 to improve rural access to available and needed medical technology and
15 services for coronary heart disease procedures.

16 **Sec. 2.** RCW 70.38.025 and 1997 c 210 s 2 are each amended to read
17 as follows:

1 When used in this chapter, the terms defined in this section shall
2 have the meanings indicated.

3 (1) "Board of health" means the state board of health created
4 pursuant to chapter 43.20 RCW.

5 (2) "Capital expenditure" is an expenditure, including a force
6 account expenditure (i.e., an expenditure for a construction project
7 undertaken by a nursing home facility as its own contractor) which,
8 under generally accepted accounting principles, is not properly
9 chargeable as an expense of operation or maintenance. Where a person
10 makes an acquisition under lease or comparable arrangement, or through
11 donation, which would have required review if the acquisition had been
12 made by purchase, such expenditure shall be deemed a capital
13 expenditure. Capital expenditures include donations of equipment or
14 facilities to a nursing home facility which if acquired directly by
15 such facility would be subject to certificate of need review under the
16 provisions of this chapter and transfer of equipment or facilities for
17 less than fair market value if a transfer of the equipment or
18 facilities at fair market value would be subject to such review. The
19 cost of any studies, surveys, designs, plans, working drawings,
20 specifications, and other activities essential to the acquisition,
21 improvement, expansion, or replacement of any plant or equipment with
22 respect to which such expenditure is made shall be included in
23 determining the amount of the expenditure.

24 (3) "Continuing care retirement community" means an entity which
25 provides shelter and services under continuing care contracts with its
26 members and which sponsors or includes a health care facility or a
27 health service. A "continuing care contract" means a contract to
28 provide a person, for the duration of that person's life or for a term
29 in excess of one year, shelter along with nursing, medical, health-
30 related, or personal care services, which is conditioned upon the
31 transfer of property, the payment of an entrance fee to the provider of
32 such services, or the payment of periodic charges for the care and
33 services involved. A continuing care contract is not excluded from
34 this definition because the contract is mutually terminable or because
35 shelter and services are not provided at the same location.

36 (4) "Department" means the department of health.

37 (5) "Expenditure minimum" means, for the purposes of the
38 certificate of need program, one million dollars adjusted by the
39 department by rule to reflect changes in the United States department

1 of commerce composite construction cost index; or a lesser amount
2 required by federal law and established by the department by rule.

3 (6) "Health care facility" means hospices, hospitals, psychiatric
4 hospitals, nursing homes, kidney disease treatment centers, ambulatory
5 surgical facilities, and home health agencies, and includes such
6 facilities when owned and operated by a political subdivision or
7 instrumentality of the state and such other facilities as required by
8 federal law and implementing regulations, but does not include any
9 health facility or institution conducted by and for those who rely
10 exclusively upon treatment by prayer or spiritual means in accordance
11 with the creed or tenets of any well-recognized church or religious
12 denomination, or any health facility or institution operated for the
13 exclusive care of members of a convent as defined in RCW 84.36.800 or
14 rectory, monastery, or other institution operated for the care of
15 members of the clergy. In addition, the term does not include any
16 nonprofit hospital: (a) Which is operated exclusively to provide
17 health care services for children; (b) which does not charge fees for
18 such services; and (c) if not contrary to federal law as necessary to
19 the receipt of federal funds by the state.

20 (7) "Health maintenance organization" means a public or private
21 organization, organized under the laws of the state, which:

22 (a) Is a qualified health maintenance organization under Title
23 XIII, section 1310(d) of the Public Health Services Act; or

24 (b)(i) Provides or otherwise makes available to enrolled
25 participants health care services, including at least the following
26 basic health care services: Usual physician services, hospitalization,
27 laboratory, x-ray, emergency, and preventive services, and out-of-area
28 coverage; (ii) is compensated (except for copayments) for the provision
29 of the basic health care services listed in (b)(i) to enrolled
30 participants by a payment which is paid on a periodic basis without
31 regard to the date the health care services are provided and which is
32 fixed without regard to the frequency, extent, or kind of health
33 service actually provided; and (iii) provides physicians' services
34 primarily (A) directly through physicians who are either employees or
35 partners of such organization, or (B) through arrangements with
36 individual physicians or one or more groups of physicians (organized on
37 a group practice or individual practice basis).

38 (8) "Health services" means clinically related (i.e., preventive,
39 diagnostic, curative, rehabilitative, or palliative) services and

1 includes alcoholism, drug abuse, and mental health services and as
2 defined in federal law.

3 (9) "Health service area" means a geographic region appropriate for
4 effective health planning which includes a broad range of health
5 services.

6 (10) "Person" means an individual, a trust or estate, a
7 partnership, a corporation (including associations, joint stock
8 companies, and insurance companies), the state, or a political
9 subdivision or instrumentality of the state, including a municipal
10 corporation or a hospital district.

11 (11) "Provider" generally means a health care professional or an
12 organization, institution, or other entity providing health care but
13 the precise definition for this term shall be established by rule of
14 the department, consistent with federal law.

15 (12) "Public health" means the level of well-being of the general
16 population; those actions in a community necessary to preserve,
17 protect, and promote the health of the people for which government is
18 responsible; and the governmental system developed to guarantee the
19 preservation of the health of the people.

20 (13) "Secretary" means the secretary of health or the secretary's
21 designee.

22 (14) "Tertiary health service" means a specialized service that
23 meets complicated medical needs of people and requires sufficient
24 patient volume to optimize provider effectiveness, quality of service,
25 and improved outcomes of care. "Tertiary health service" does not
26 include open heart surgery, therapeutic cardiac catheterization, and
27 percutaneous transluminal coronary angioplasty in or through a hospital
28 located within the limits of the city of Walla Walla.

29 (15) "Hospital" means any health care institution which is required
30 to qualify for a license under RCW 70.41.020(2); or as a psychiatric
31 hospital under chapter 71.12 RCW.

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