CERTIFICATION OF ENROLLMENT

HOUSE BILL 1162

57th Legislature 2001 2nd Special Session

Passed by the House June 4, 2001 Yeas 86 Nays 0

Speaker of the House of Representatives

Speaker of the House of Representatives

Passed by the Senate June 8, 2001 Yeas 40 Nays 0

President of the Senate

Approved

Governor of the State of Washington

Secretary of State State of Washington

Zehnder, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1162** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CERTIFICATE

We, Timothy A. Martin and Cynthia

Chief Clerk

Chief Clerk

FILED

HOUSE BILL 1162

Passed Legislature - 2001 2nd Special Session

State of Washington 57th Legislature 2001 Regular Session

By Representatives McMorris, Cody, Alexander, Schual-Berke, Mastin, Cox, Mulliken, Sump, G. Chandler, Lisk, B. Chandler, Hatfield, Schoesler, Grant, Armstrong, Kessler, Doumit, DeBolt, Delvin, Dickerson, Kenney, Bush, Conway, Edmonds, Pflug and Haigh

Read first time 01/18/2001. Referred to Committee on Health Care.

AN ACT Relating to providing state medical assistance reimbursements for small, rural hospitals that meet the criteria of a critical access hospital; adding new sections to chapter 4 74.09 RCW; and creating new sections.

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

б NEW SECTION. Sec. 1. The legislature finds that promoting a 7 financially viable health care system in all parts of the state is 8 a paramount interest. The health care financing administration has 9 recognized the crucial role that hospitals play in providing care in rural areas by creating the critical access hospital program to 10 11 allow small, rural hospitals that qualify to receive reasonable 12 cost-based reimbursement for medicare services. The legislature 13 further finds that creating a similar reimbursement system for the 14 state's medical assistance programs in small, rural hospitals that qualify will help assure the long-term financial viability of the 15 16 rural health system in those communities.

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<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 74.09
RCW to read as follows:

3 Payments for recipients eligible for medical assistance 4 programs under this chapter for services provided by hospitals, regardless of the beneficiary's managed care enrollment status, 5 shall be made based on allowable costs incurred during the year, б 7 when services are provided by a rural hospital certified by the 8 health care financing administration as a critical access 9 hospital. Any additional payments made by the medical assistance 10 administration for the healthy options program shall be no more than the additional amounts per service paid under this section 11 for other medical assistance programs. 12

13 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 74.09 14 RCW to read as follows:

15 The department shall implement the program created in section 2 16 of this act within sixty days of the effective date of this act 17 regardless of the beneficiary's managed care status.

18 <u>NEW SECTION.</u> Sec. 4. If specific funding for the purposes of 19 this act, referencing this act by bill or chapter number, is not 20 provided by June 30, 2001, in the omnibus appropriations act, this 21 act is null and void.

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