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**Health Care Committee**

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**SB 5790**

**Brief Description:** Changing the time period in which beds can be converted back to nursing facilities.

**Sponsors:** Senators Franklin, Deccio, Winsley and Kline.

**Brief Summary of Bill**

- Nursing homes may bank beds for up to 24 years without losing the license for those beds.

**Hearing Date:** 2/19/04

**Staff:** Dave Knutson (786-7146).

**Background:**

The Certificate of Need program is administered by the Department of Health (Department) as a cost containment program designed to ensure the construction, development, or acquisition of new health care facilities and services that promote access to high quality and needed care at a reasonable cost. Nursing homes are among the facilities covered under the Certificate of Need law.

A Certificate of Need is required of a nursing home in order to increase the number of nursing home beds in the facility. However, the law provides that a nursing home may "bank" or hold in reserve any current beds in order to use the space for other related purposes that enhance the quality of life for residents.

If construction is required to restore the "banked" beds, notice of intent to reconvert must be given to the Department and must be given at a minimum one year prior to the effective date of license modification. In all other cases, notice must be given 90 days prior to modification. If banked beds are not restored to their use, they become unlicensed after eight years.

**Summary of Bill:**

Nursing homes may bank beds for up to 24 years without losing the license for those beds.

When beds are banked to enhance resident quality of life, they are permanently exempt from Certificate of Need requirements.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.