
SENATE BILL 6541

State of Washington

64th Legislature

2016 Regular Session

By Senators Miloscia, Dammeier, O'Ban, Padden, Roach, Becker, Angel, and Parlette

Read first time 01/25/16. Referred to Committee on Accountability & Reform.

1 AN ACT Relating to the establishment of performance management
2 systems at state hospitals; amending RCW 72.23.020 and 72.01.050;
3 adding a new section to chapter 72.23 RCW; and adding a new section
4 to chapter 43.20A RCW.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 72.23
7 RCW to read as follows:

8 (1) Each state hospital must develop a robust lean performance
9 management plan as described in this section to be overseen by the
10 superintendent of the state hospital in collaboration with the
11 department. The department shall coordinate performance management
12 activities between the state hospitals to develop common performance
13 measures and frameworks that enhance the ability to compare
14 performance between the state hospitals and aid in the
15 standardization of practices between state hospitals where
16 appropriate.

17 (2) The state hospital performance management plans shall conform
18 to the Baldrige excellence framework most applicable to state
19 hospital operations. The state hospitals and the department must
20 develop clear timelines and strategies related to development of the
21 performance management plans and report these to results Washington

1 or its equivalent and the relevant policy and fiscal committees of
2 the legislature within sixty days of the effective date of this
3 section.

4 (3) The performance management plans must define the mission of
5 the state hospital and set goals for achievement. Goals should be
6 expressed to the extent practicable in outcome-based, objective, and
7 measureable forms. This section does not require the state hospitals
8 to develop new mission statements and goals in place of existing
9 missions and goals if the missions and goals can be fit within the
10 Baldrige excellence framework.

11 (4) Each state hospital must undergo a Baldrige assessment of its
12 operations every two years until reaching a sixty percent Baldrige
13 assessment score pursuant to subsection (5) of this section.
14 Completed assessments and feedback must be transmitted to the office
15 of financial management and relevant policy and fiscal committees of
16 the legislature.

17 (5) Each state hospital must establish a goal of achieving a
18 sixty percent Baldrige assessment score within seven years of its
19 first Baldrige assessment. When a sixty percent score is achieved,
20 the state hospital must apply for a Malcolm Baldrige national quality
21 award under 15 U.S.C. Sec. 3711a. If the state hospital is unable to
22 achieve this sixty percent goal, it must move to achieve
23 certification under an internationally recognized quality management
24 system, such as ISO 9001 or its equivalent, within seven years of the
25 first Baldrige assessment, or as soon as practicable after the
26 inability is identified. Nothing in this section prohibits a state
27 hospital from adopting an internationally recognized quality
28 management system at an earlier date or in addition to its other
29 activities.

30 (6) The state hospitals and the department must work towards
31 implementation of real-time, web-based tracking and reporting of
32 state hospital performance management activities.

33 (7) The department must provide a periodic report to the relevant
34 policy and fiscal committees of the legislature presenting
35 information from the state hospital performance management plans,
36 including elements such as state hospital performance goals adopted
37 for the reporting period, results of audits or assessments, progress
38 towards achieving the objectives described in subsection (5) of this
39 section, and fiscal savings attributable to performance management
40 projects. The department may propose a schedule for the submission of

1 this periodic report as part of its submission under subsection (2)
2 of this section.

3 (8) Pursuant to chapter 43.09 RCW, the state auditor must conduct
4 a performance audit of the state hospitals' management systems and
5 metrics one year after their implementation.

6 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.20A
7 RCW to read as follows:

8 The department shall study the application of the Baldrige
9 quality management framework or an equivalent performance management
10 system to its own activities and report its findings to the governor
11 and relevant policy and fiscal committees of the legislature by
12 December 1, 2016.

13 **Sec. 3.** RCW 72.23.020 and 1959 c 28 s 72.23.020 are each amended
14 to read as follows:

15 There are hereby permanently located and established the
16 following state hospitals: Western state hospital at Fort Steilacoom,
17 Pierce county; eastern state hospital at Medical Lake, Spokane
18 county; and (~~northern state hospital near Sedro Woolley, Skagit~~
19 ~~county~~) the child study and treatment center at Fort Steilacoom,
20 Pierce county.

21 **Sec. 4.** RCW 72.01.050 and 1992 c 7 s 51 are each amended to read
22 as follows:

23 (1) The secretary of social and health services shall have full
24 power to manage and govern the following public institutions: The
25 western state hospital, the eastern state hospital, the (~~northern~~
26 ~~state hospital~~) child study and treatment center, the state training
27 school, the state school for girls, Lakeland Village, the Rainier
28 school, and such other institutions as authorized by law, subject
29 only to the limitations contained in laws relating to the management
30 of such institutions.

31 (2) The secretary of corrections shall have full power to manage,
32 govern, and name all state correctional facilities, subject only to
33 the limitations contained in laws relating to the management of such
34 institutions.

35 (3) If any state correctional facility is fully or partially
36 destroyed by natural causes or otherwise, the secretary of
37 corrections may, with the approval of the governor, provide for the

1 establishment and operation of additional residential correctional
2 facilities to place those inmates displaced by such destruction.
3 However, such additional facilities may not be established if there
4 are existing residential correctional facilities to which all of the
5 displaced inmates can be appropriately placed. The establishment and
6 operation of any additional facility shall be on a temporary basis,
7 and the facility may not be operated beyond July 1 of the year
8 following the year in which it was partially or fully destroyed.

--- END ---