HOUSE BILL REPORT
SHB 2295

As Passed Legislature

Title: An act relating to establishing a regulatory structure for licensed acute care hospitals to provide hospital at-home services.

Brief Description: Concerning hospital at-home services.

Sponsors: House Committee on Health Care & Wellness (originally sponsored by Representatives Bateman, Hutchins, Riccelli, Bronoske, Reed, Orwall, Davis, Tharinger, Simmons, Callan and Macri).

Brief History:

Committee Activity:

Health Care & Wellness: 1/24/24, 1/30/24 [DPS].

Floor Activity:

Passed House: 2/12/24, 97-0.
Senate Amended.
Passed Senate: 2/22/24, 49-0.
House Concurred.
Passed House: 3/4/24, 97-0.
Passed Legislature.

Brief Summary of Substitute Bill

- Requires the Department of Health to adopt rules to add hospital at-home services to the services that a licensed acute care hospital may provide and establish standards for the operation of a hospital at-home program.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Riccelli, Chair; Bateman, Vice Chair; Schmick, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Bronoske,

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Caldier, Davis, Graham, Harris, Macri, Maycumber, Mosbrucker, Orwall, Simmons, Stonier, Thai and Tharinger.

Staff: Kim Weidenaar (786-7120).

Background:

Federal Hospital At-Home Programs.
In March 2020 the federal Center for Medicare and Medicaid Services (CMS) announced the Hospitals Without Walls initiative, which provided broad regulatory flexibility that allowed hospitals to provide services in locations beyond their existing walls. In November 2020 the CMS established the Acute Hospital Care at Home Initiative (AHCAH) which allowed certain Medicare-certified hospitals to treat eligible patients with inpatient-level care at their home and waived a number of Medicare conditions of participation.

The CMS required participating hospitals to have appropriate screening protocols before care at home begins, which include assessing both medical and nonmedical factors. The AHCAH also requires that a physician or advanced practice provider to evaluate the patient daily in person or remotely, at least two in-person visits daily by a nurse or mobile integrated health paramedic, and at all times there must be a system that allows immediate, on-demand audio connection with an acute hospital at-home team member, in addition to other requirements. Acute Hospital Care at Home Initiative patients may only be admitted from emergency departments and inpatient hospital beds.

The Consolidated Appropriations Act of 2023 extended the waivers for the AHCAH until December 31, 2024.

Certificate of Need.
The Certificate of Need (CON) Program is operated by the Department of Health (DOH) and is a regulatory process that requires certain health care facilities and providers to get state approval before building certain types of facilities or offering new or expanded services. A CON is required before a health care facility can be constructed, sold, purchased, or leased, or before a health care provider can offer certain new or expanded services, such as a hospital seeking to increase their licensed beds. When the DOH receives a CON application, the DOH reviews the potential impact of the proposed construction or expansion on a community's need for the service.

Summary of Substitute Bill:

Hospital at-home services are defined as acute care services provided by a licensed acute care hospital to a patient outside of the hospital's licensed facility and within a home or any location determined by the patient receiving the service. The DOH must adopt rules by December 31, 2025, to add hospital at-home services to the services that a licensed acute care hospital may provide. The DOH must consider the provisions of the federal program

and endeavor to make the standards substantially similar when adopting the initial rules. The DOH may adopt additional standards to promote safe care and treatment of patients as needed. The standards may not include requirements that would make a hospital ineligible for or preclude a hospital from complying with the requirements of the federal program.

If the federal program expires before the DOH establishes rules, hospitals must continue to follow federal program requirements that were in effect as of the date of the federal program's expiration and the DOH must enforce the requirements until the DOH adopts rules. Once rules are established, hospitals that intend to offer or continue offering hospital at-home services must apply to the DOH for approval to add hospital at-home services as a hospital service line. Hospitals that have an active federal AHCAH waiver prior to rule adoption may provide hospital at-home services while applying for approval. The DOH must approve a hospital to provide hospital at-home services if the application is consistent with the standards provided in rule.

Licensed hospitals are authorized to provide hospital at-home services if the hospital has an active federal AHCAH waiver prior to when the DOH adopted rules regarding hospital at-home services. Hospitals with an active federal waiver that intend to operate hospital at-home services must notify the DOH within 30 days receiving the waiver.

The DOH may set a one-time application fee by rule, which may not exceed the actual cost of staff time to review the application. The administration of the program must be covered by licensing fees.

Hospital at-home services do not count as an increase in the number of the hospital's licensed beds and are not subject to the CON requirements or review. Hospital at-home services provided by a licensed acute care hospital are not subject to regulations under home health care, hospice care, or in-home services agencies.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill came about after a local hospital was approached because of long wait times and during a tour the hospital discussed their successful hospital at-home program. The DOH has noted that the hospital at-home program may not be able to continue because the federal program is ending and the DOH does not have adequate oversight.

The hospital at-home program delivers brick-and-mortar services in the comfort of the patient's own home. These are patients that you would see on a general medical ward with

pneumonia, cellulitis, COVID-19, and other conditions. It has an excellent safety record and involves rigorous screening. It includes remote patient monitoring, pharmacy services, and highly coordinated care.

This innovation is good for patients and patients are very satisfied with it. Patients thrive at home, like the program, and generally see good outcomes. Patients in the program see a shortened length of stay and lower readmission rates. This policy gives the state more solutions to address the need of more hospital beds.

This bill is time-critical for hospitals in Washington because we do not know if the federal waiver will continue and the DOH has stated it will not allow the practice to continue if the federal program ends. There are some concerns about the provision that requires the standards the DOH adopts to be substantially similar to the federal program and while not a lot of other states have tackled this issue yet, those that have done so have generally required the rules to be consistent with the federal program or in a manner in coordination with the CMS. This bill should make it out unscathed before the program expires on the federal level.

(Opposed) None.

(Other) The DOH views the hospital at-home program as an innovative care model that it supports. However, the DOH is concerned about the bill as currently written because any rules that the DOH adopts have to be substantially similar to the CMS rules. This would prevent the DOH from adopting more stringent standards or standards in areas where there are none. Federal requirements should be the floor. Modifying the rulemaking would bring the regulatory process in alignment with other areas that the DOH has oversight.

Persons Testifying: (In support) Representative Jessica Bateman, prime sponsor; Katherine Mahoney, Virginia Mason Franciscan Health; Christopher Dale, Providence; Jessica Van Fleet-Green, MultiCare Health System; Lisa Thatcher; and Elizabeth Hovde, Washington Policy Center.

(Other) Ian Corbridge, Department of Health.

Persons Signed In To Testify But Not Testifying: None.