

**SENATE BILL REPORT**

**SB 6152**

**AS REPORTED BY COMMITTEE ON HEALTH & LONG-TERM CARE,  
JANUARY 30, 1992**

**Brief Description:** Modifying regulations pertaining to county hospital boards.

**SPONSORS:** Senators McDonald, West and Niemi

**SENATE COMMITTEE ON HEALTH & LONG-TERM CARE**

**Majority Report:** Do pass.

Signed by Senators West, Chairman; L. Smith, Vice Chairman; M. Kreidler, and Wojahn.

**Staff:** Scott Plack (786-7409)

**Hearing Dates:** January 28, 1992; January 30, 1992

**BACKGROUND:**

The Harborview Medical Center (HMC) is a major health care facility in the state that serves as a regional trauma center, teaching and research facility and acute care hospital. It is also a county hospital that provides a significant amount of charity and state sponsored health care for low-income people in living in the greater Seattle area.

The multi-facet nature of HMC is reflected in its current governance, management and financing structure. HMC is governed by a 13 member board of trustees appointed by the King County Council. King County owns the facility, is responsible for its overall operation and maintenance and must approve major renovation and capital projects at the facility.

HMC is managed by the University of Washington through a contract with the board of trustees. The University also uses HMC as a major teaching and research facility and provides highly specialized medical care which is not available anywhere else in the Pacific Northwest.

Because HMC provides large amounts of medical care to low-income and medically indigent persons, the state of Washington finances a significant portion of HMC's operational budget through the state's medical assistance program. It also provides financial support to the facility by funding medical education training costs through appropriations to the University of Washington.

The multi-facet nature of HMC creates special difficulties in governing the institution. The different roles HMC assumes as a service, education and research facility may not always be compatible and makes management difficult. Decisions about

the mission and direction of the facility involve coordination among the state, county and the University of Washington. Furthermore, as a major charity care hospital HMC is strained financially to care for those with no or few financial resources to pay for the care.

To address the governance issue, the Legislature directed the board of trustees to assemble a work group to discuss alternative governance structures. The work group was comprised of legislators, county elected officials and representatives from the University of Washington. It produced recommendations to change the composition of the board of trustees to better reflect the diverse nature of the facility and recommended that the board of trustees assume greater management authority capital projects.

**SUMMARY:**

The Legislature acknowledges the role of county hospitals as university teaching facilities that serve the poor and infirm and provide clinical resources to the state. The restructuring of the governance of such hospitals provided in the act is seen as furthering these interests.

The number of hospital trustees at Harborview Medical Center is increased from 13 to 15. The hospital trustees are to be appointed as follows: four shall be appointed by the Governor and confirmed by the Senate, and the remaining 11 shall be appointed by the King County Council. One of the gubernatorial appointments may be from the Board of Regents of the University of Washington.

Hospital trustees serve three-year terms. The Governor is directed to stagger the initial terms of gubernatorial trustee appointments. Members currently serving as trustees are permitted to serve out their current terms. An individual may serve no more than three terms of three years or more in length. The King County Council may, on a one time basis, more evenly stagger the terms of some or all of the successor appointments by making appointments of less than three years.

Future trustee appointments shall be made in a manner to ensure diverse representation based on social, cultural, ethnic, racial and economic background and perspectives. In addition, persons should be appointed who demonstrate leadership and have recognized experience in management, planning, administrative, health care service delivery, consumer representation and institutional operations.

No person may serve as a trustee if they held during the previous two years any salaried office or position in any office, department, or branch of the government of the appointing authority. The board of trustees may submit nominations for trustees. Any of the gubernatorial appointed trustees may be removed by the Governor for incompetency, misconduct or malfeasance in office.

The board of trustees is granted additional supervisory authority over renovation and capital improvements to the facility. Each year they shall prepare an annual capital expenditure plan and an updated six-year capital plan to the King County Council.

It is clarified that Harborview is not to be considered a state agency nor is the state liable for any debts or claims against the hospital.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested

**TESTIMONY FOR:** None

**TESTIMONY AGAINST:** None

**TESTIFIED:** No one