

SHB 2851 - H AMD 906

By Representative Cody

WITHDRAWN 02/14/2004

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 70.38.105 and 1996 c 50 s 1 are each amended to read
4 as follows:

5 (1) The department is authorized and directed to implement the
6 certificate of need program in this state pursuant to the provisions of
7 this chapter.

8 (2) There shall be a state certificate of need program which is
9 administered consistent with the requirements of federal law as
10 necessary to the receipt of federal funds by the state.

11 (3) No person shall engage in any undertaking which is subject to
12 certificate of need review under subsection (4) of this section without
13 first having received from the department either a certificate of need
14 or an exception granted in accordance with this chapter.

15 (4) The following shall be subject to certificate of need review
16 under this chapter:

17 (a) The construction, development, or other establishment of a new
18 health care facility;

19 (b) The sale, purchase, or lease of part or all of any existing
20 hospital as defined in RCW 70.38.025;

21 (c) Any capital expenditure for the construction, renovation, or
22 alteration of a nursing home which substantially changes the services
23 of the facility after January 1, 1981, provided that the substantial
24 changes in services are specified by the department in rule;

25 (d) Any capital expenditure for the construction, renovation, or
26 alteration of a nursing home which exceeds the expenditure minimum as
27 defined by RCW 70.38.025. However, a capital expenditure which is not
28 subject to certificate of need review under (a), (b), (c), or (e) of
29 this subsection and which is solely for any one or more of the
30 following is not subject to certificate of need review:

1 (i) Communications and parking facilities;
2 (ii) Mechanical, electrical, ventilation, heating, and air
3 conditioning systems;
4 (iii) Energy conservation systems;
5 (iv) Repairs to, or the correction of, deficiencies in existing
6 physical plant facilities which are necessary to maintain state
7 licensure, however, other additional repairs, remodeling, or
8 replacement projects that are not related to one or more deficiency
9 citations and are not necessary to maintain state licensure are not
10 exempt from certificate of need review except as otherwise permitted by
11 (d)(vi) of this subsection or RCW 70.38.115(13);
12 (v) Acquisition of equipment, including data processing equipment,
13 which is not or will not be used in the direct provision of health
14 services;
15 (vi) Construction or renovation at an existing nursing home which
16 involves physical plant facilities, including administrative, dining
17 areas, kitchen, laundry, therapy areas, and support facilities, by an
18 existing licensee who has operated the beds for at least one year;
19 (vii) Acquisition of land; and
20 (viii) Refinancing of existing debt;
21 (e) A change in bed capacity of a health care facility which
22 increases the total number of licensed beds or redistributes beds among
23 acute care, nursing home care, and boarding home care if the bed
24 redistribution is to be effective for a period in excess of six months,
25 or a change in bed capacity of a rural health care facility licensed
26 under RCW 70.175.100 that increases the total number of nursing home
27 beds or redistributes beds from acute care or boarding home care to
28 nursing home care if the bed redistribution is to be effective for a
29 period in excess of six months. A health care facility certified as a
30 critical access hospital under 42 U.S.C. 1395i-4 may increase its total
31 number of licensed beds to the total number of beds permitted under 42
32 U.S.C. 1395i-4 for acute care and may redistribute beds permitted under
33 42 U.S.C. 1395i-4 among acute care and nursing home care without being
34 subject to certificate of need review. If there is a nursing home
35 licensed under chapter 18.51 RCW within twenty-seven miles of the
36 critical access hospital, the critical access hospital is subject to
37 certificate of need review except for:

1 (i) Critical access hospitals which had designated beds to provide
2 nursing home care, in excess of five swing beds, prior to December 31,
3 2003;

4 (ii) Up to five swing beds; or

5 (iii) Patients who are allowed to stay in beds designated for
6 nursing home care for no more than three days, except in the event that
7 a nursing home within twenty-seven miles is not able to accept the
8 patient. The department shall monitor compliance with the patient
9 length of stay limitation in this subsection (4)(e)(iii) as a part of
10 hospital inspections under RCW 70.41.120.

11 Critical access hospital beds not subject to certificate of need
12 review under this subsection (4)(e) will not be counted as either acute
13 care or nursing home care for certificate of need review purposes. If
14 a health care facility ceases to be certified as a critical access
15 hospital under 42 U.S.C. 1395i-4, the hospital may revert back to the
16 type and number of licensed hospital beds as it had when it requested
17 critical access hospital designation;

18 (f) Any new tertiary health services which are offered in or
19 through a health care facility or rural health care facility licensed
20 under RCW 70.175.100, and which were not offered on a regular basis by,
21 in, or through such health care facility or rural health care facility
22 within the twelve-month period prior to the time such services would be
23 offered;

24 (g) Any expenditure for the construction, renovation, or alteration
25 of a nursing home or change in nursing home services in excess of the
26 expenditure minimum made in preparation for any undertaking under
27 subsection (4) of this section and any arrangement or commitment made
28 for financing such undertaking. Expenditures of preparation shall
29 include expenditures for architectural designs, plans, working
30 drawings, and specifications. The department may issue certificates of
31 need permitting predevelopment expenditures, only, without authorizing
32 any subsequent undertaking with respect to which such predevelopment
33 expenditures are made; and

34 (h) Any increase in the number of dialysis stations in a kidney
35 disease center.

36 (5) The department is authorized to charge fees for the review of
37 certificate of need applications and requests for exemptions from

1 certificate of need review. The fees shall be sufficient to cover the
2 full cost of review and exemption, which may include the development of
3 standards, criteria, and policies.

4 (6) No person may divide a project in order to avoid review
5 requirements under any of the thresholds specified in this section."

EFFECT: Requires critical access hospitals within 27 miles of a nursing home to undergo the certificate of need review process except: Where the hospital had designated nursing home care beds before December 31, 2003; for up to five swing beds; or for stays in designated nursing home care beds for up to three days. Allows for stays longer than three days if a nursing home within 27 miles of the critical access hospital is not able to accept the patient. Requires the Department of Health to monitor compliance with length of stay provisions as part of the hospital inspection process.

--- END ---