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**SUBSTITUTE SENATE BILL 5833**

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**State of Washington**

**58th Legislature**

**2003 Regular Session**

**By** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Deccio, Franklin, Brandland, Keiser, Parlette, Winsley, Thibaudeau and Rasmussen)

READ FIRST TIME 03/05/03.

1        AN ACT Relating to coordinating and scheduling surveys and audits  
2 of hospitals and health care services and facilities operated or  
3 controlled by hospitals; amending RCW 18.20.110, 18.51.091, 43.09.260,  
4 51.36.110, 69.41.270, 70.41.080, 70.41.120, 70.42.170, 70.62.250,  
5 70.96A.090, 70.98.080, 70.98.090, 70.127.180, 70.168.070, 70.168.080,  
6 71.12.480, 71.12.485, 71.12.500, and 74.09.200; adding a new section to  
7 chapter 18.64 RCW; adding a new section to chapter 43.09 RCW; adding a  
8 new section to chapter 43.20A RCW; adding a new section to chapter  
9 43.21A RCW; adding a new section to chapter 43.22 RCW; adding a new  
10 section to chapter 43.70 RCW; adding a new section to chapter 70.175  
11 RCW; adding a new section to chapter 74.39A RCW; adding a new section  
12 to chapter 82.01 RCW; adding a new chapter to Title 43 RCW; creating a  
13 new section; providing an effective date; and declaring an emergency.

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

15        NEW SECTION. **Sec. 1.** The legislature finds and declares that it  
16 is in the interest of the public health and safety of patients to  
17 improve the regulatory environment for hospitals and affiliated health  
18 care services and facilities by requiring state agencies that survey  
19 hospitals and their affiliated health care services and facilities to

1 coordinate the scheduling of surveys and audits, to provide advance  
2 notice of surveys and audits to hospitals, and to share information  
3 obtained during surveys and audits. Hospitals and their affiliated  
4 health care services and facilities are surveyed and audited by a  
5 myriad of federal, state, and local agencies, some being subject to  
6 more than a dozen different surveys or audits by state agencies, as  
7 well as being surveyed to be accredited by the joint commission on the  
8 accreditation of health care organizations. The legislature finds that  
9 hospitals, particularly those in rural communities, that provide a  
10 continuum of health care services including nursing homes, assisted  
11 living facilities, or ambulance services, all of which are subject to  
12 licensing surveys, will be better able to respond to surveys and  
13 audits, and implement suggested changes to improve the quality of  
14 patient care, if hospitals are not subject to simultaneous or back-to-  
15 back surveys or audits. Surveys and audits will be more cost-effective  
16 for hospitals and affiliated services and facilities if hospitals are  
17 not required to respond to multiple requests for the same information.

18 NEW SECTION. **Sec. 2.** Unless the context clearly requires  
19 otherwise, the definitions in this section apply throughout this  
20 chapter.

21 (1) "Agency" means a department of state government created under  
22 RCW 43.17.010 and the office of the state auditor.

23 (2) "Audit" means an examination of records or financial accounts  
24 to evaluate accuracy and monitor compliance with statutory or  
25 regulatory requirements.

26 (3) "Hospital" means a hospital licensed under chapter 70.41 RCW.

27 (4) "Hospital services or facilities" means licensed or certified  
28 health care services or facilities operated or controlled by a hospital  
29 or an entity that operates a hospital, including ambulance services,  
30 assisted living facilities, boarding homes, chemical dependency or  
31 psychiatric facilities, home health services, hospice, nursing homes,  
32 pharmacies, and rural health clinics.

33 (5) "Survey" means an inspection, examination, or site visit  
34 conducted by an agency to evaluate and monitor the compliance of a  
35 hospital or hospital services or facilities with statutory or  
36 regulatory requirements.

1        NEW SECTION.    **Sec. 3.**    (1) Except as provided in subsection (2) of  
2 this section, an agency that conducts surveys or audits of hospitals or  
3 hospital services or facilities shall:

4        (a) Coordinate the scheduling of all surveys and audits with  
5 programs of that agency and with other agencies and take into  
6 consideration surveys and audits scheduled by the joint commission on  
7 the accreditation of health care organizations and other nationally  
8 recognized accreditation organizations; and

9        (b) Share information and documents provided by hospitals and  
10 hospital services and facilities pertaining to surveys and audits.

11        (2) Subsection (1)(a) of this section does not apply to  
12 investigations and site visits not conducted as part of a regularly  
13 scheduled survey or audit that are:    (a) In response to a complaint  
14 received by an agency; or (b) requested by a hospital.

15        NEW SECTION.    **Sec. 4.**    (1) If an agency does not comply with the  
16 process designed under section 5 of this act, a hospital or hospital  
17 service or facility may refuse to allow the agency to conduct the  
18 survey or audit at the time selected by the agency and the agency must  
19 reschedule the audit or survey in accordance with the requirements of  
20 this chapter.

21        (2) An agency may not retaliate against a hospital or hospital  
22 service or facility that refuses to allow the agency to conduct a  
23 survey or audit because the agency has not complied with the process  
24 designed under section 5 of this act.

25        NEW SECTION.    **Sec. 5.**    (1) The department of health, with the  
26 participation of stakeholders and all other agencies that conduct  
27 surveys or audits of hospitals or hospital services or facilities,  
28 shall design a process to accomplish the requirements of section 3 of  
29 this act.    For the purposes of this section, "stakeholders" means  
30 hospitals, hospital services and facilities controlled or operated by  
31 hospitals or entities that control or operate a hospital, and the  
32 Washington state hospital association.

33        (2) The following agencies are required to actively and effectively  
34 participate in the design of the survey coordination process:    State  
35 board of pharmacy; state auditor; chief of the Washington state patrol,

1 through the director of fire protection; and the departments of health,  
2 social and health services, ecology, labor and industries, and revenue.

3 (3) The process must establish:

4 (a) A procedure for scheduling audits and surveys;

5 (b) Standards for the frequency of audits and surveys;

6 (c) A mechanism for resolving scheduling disputes that may arise  
7 between agencies;

8 (d) A mechanism for resolving scheduling conflicts with hospital  
9 staff availability or planned hospital events;

10 (e) A mechanism for addressing disputes that includes full  
11 assurance that advancing a dispute will not result in retaliation or  
12 punitive action against a hospital or hospital services or facilities;

13 (f) Written notice requirements for scheduling audits and surveys  
14 unless notice is prohibited by state or federal law;

15 (g) Requirements for and necessary limitations to sharing  
16 information and documents provided by hospitals and hospital services  
17 or facilities; and

18 (h) Other provisions the agencies and stakeholders agree are  
19 necessary to implement the intent of this chapter.

20 (4) The elements of the process that do not require legislative  
21 changes take effect January 1, 2004.

22 NEW SECTION. **Sec. 6.** The department of health shall prepare and  
23 present a report to the legislature no later than October 1, 2003,  
24 describing the process designed under section 5 of this act and  
25 identifying any legislative changes necessary to implement the process.

26 NEW SECTION. **Sec. 7.** A new section is added to chapter 18.64 RCW  
27 to read as follows:

28 The board of pharmacy shall coordinate and schedule surveys,  
29 audits, and inspections of hospitals licensed under chapter 70.41 RCW  
30 and health care services or facilities operated or controlled by  
31 hospitals licensed under chapter 70.41 RCW in accordance with chapter  
32 43.-- RCW (sections 1 through 5 of this act).

33 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.09 RCW  
34 to read as follows:

35 The auditor shall coordinate and schedule surveys, audits, and

1 inspections of hospitals licensed under chapter 70.41 RCW and health  
2 care services or facilities operated or controlled by hospitals  
3 licensed under chapter 70.41 RCW in accordance with chapter 43.-- RCW  
4 (sections 1 through 5 of this act).

5 NEW SECTION. **Sec. 9.** A new section is added to chapter 43.20A RCW  
6 to read as follows:

7 The department of social and health services shall coordinate and  
8 schedule surveys, audits, and inspections of hospitals licensed under  
9 chapter 70.41 RCW and health care services or facilities operated or  
10 controlled by hospitals licensed under chapter 70.41 RCW in accordance  
11 with chapter 43.-- RCW (sections 1 through 5 of this act).

12 NEW SECTION. **Sec. 10.** A new section is added to chapter 43.21A  
13 RCW to read as follows:

14 The department of ecology shall coordinate and schedule surveys,  
15 audits, and inspections of hospitals licensed under chapter 70.41 RCW  
16 and health care services or facilities operated or controlled by  
17 hospitals licensed under chapter 70.41 RCW in accordance with chapter  
18 43.-- RCW (sections 1 through 5 of this act).

19 NEW SECTION. **Sec. 11.** A new section is added to chapter 43.22 RCW  
20 to read as follows:

21 The department of labor and industries shall coordinate and  
22 schedule surveys, audits, and inspections of hospitals licensed under  
23 chapter 70.41 RCW and health care services or facilities operated or  
24 controlled by hospitals licensed under chapter 70.41 RCW in accordance  
25 with chapter 43.-- RCW (sections 1 through 5 of this act).

26 NEW SECTION. **Sec. 12.** A new section is added to chapter 43.70 RCW  
27 to read as follows:

28 The department of health shall coordinate and schedule surveys,  
29 audits, and inspections of hospitals licensed under chapter 70.41 RCW  
30 and health care services or facilities operated or controlled by  
31 hospitals licensed under chapter 70.41 RCW in accordance with chapter  
32 43.-- RCW (sections 1 through 5 of this act).

1        NEW SECTION.    **Sec. 13.**    A new section is added to chapter 70.175  
2    RCW to read as follows:

3        The department of health shall coordinate and schedule any surveys,  
4    audits, or inspections of rural health care facilities in accordance  
5    with chapter 43.-- RCW (sections 1 through 5 of this act).

6        NEW SECTION.    **Sec. 14.**    A new section is added to chapter 74.39A  
7    RCW to read as follows:

8        The department of social and health services shall coordinate and  
9    schedule surveys, audits, and inspections of assisted living services,  
10   adult residential care services, or enhanced adult residential care  
11   services operated or controlled by a hospital licensed under chapter  
12   70.41 RCW in accordance with chapter 43.-- RCW (sections 1 through 5 of  
13   this act).

14       NEW SECTION.    **Sec. 15.**    A new section is added to chapter 82.01 RCW  
15   to read as follows:

16       The department of revenue shall coordinate and schedule surveys,  
17   audits, and inspections of hospitals licensed under chapter 70.41 RCW  
18   and health care services or facilities operated or controlled by  
19   hospitals licensed under chapter 70.41 RCW in accordance with chapter  
20   43.-- RCW (sections 1 through 5 of this act).

21       **Sec. 16.**    RCW 18.20.110 and 2000 c 47 s 4 are each amended to read  
22   as follows:

23       The department shall make or cause to be made at least a yearly  
24   inspection and investigation of all boarding homes.    Inspections and  
25   investigations of boarding homes operated or controlled by hospitals  
26   licensed under chapter 70.41 RCW must be coordinated and scheduled in  
27   accordance with chapter 43.-- RCW (sections 1 through 5 of this act).

28    Every inspection shall focus primarily on actual or potential resident  
29    outcomes, and may include an inspection of every part of the premises  
30    and an examination of all records (other than financial records),  
31    methods of administration, the general and special dietary, and the  
32    stores and methods of supply.    Following such an inspection or  
33    inspections, written notice of any violation of this law or the rules  
34    adopted hereunder shall be given to the applicant or licensee and the  
35    department.    The department may prescribe by rule that any licensee or

1 applicant desiring to make specified types of alterations or additions  
2 to its facilities or to construct new facilities shall, before  
3 commencing such alteration, addition, or new construction, submit plans  
4 and specifications therefor to the agencies responsible for plan  
5 reviews for preliminary inspection and approval or recommendations with  
6 respect to compliance with the rules and standards herein authorized.

7 **Sec. 17.** RCW 18.51.091 and 1987 c 476 s 24 are each amended to  
8 read as follows:

9 The department shall make or cause to be made at least one  
10 inspection of each nursing home prior to license renewal and shall  
11 inspect community-based services as part of the licensing renewal  
12 survey. The inspection shall be made without providing advance notice  
13 of it. Inspections of nursing homes operated or controlled by  
14 hospitals licensed under chapter 70.41 RCW must be coordinated and  
15 scheduled in accordance with chapter 43.-- RCW (sections 1 through 5 of  
16 this act). Every inspection may include an inspection of every part of  
17 the premises and an examination of all records, methods of  
18 administration, the general and special dietary and the stores and  
19 methods of supply. Those nursing homes that provide community-based  
20 care shall establish and maintain separate and distinct accounting and  
21 other essential records for the purpose of appropriately allocating  
22 costs of the providing of such care: PROVIDED, That such costs shall  
23 not be considered allowable costs for reimbursement purposes under  
24 chapter 74.46 RCW. Following such inspection or inspections, written  
25 notice of any violation of this law or ((the)) rules ((and regulations  
26 promulgated hereunder,)) shall be given the applicant or licensee and  
27 the department. The notice shall describe the reasons for the  
28 facility's noncompliance. The department may prescribe by  
29 ((regulations)) rule that any licensee or applicant desiring to make  
30 specified types of alterations or additions to its facilities or to  
31 construct new facilities shall, before commencing such alteration,  
32 addition or new construction, submit its plans and specifications  
33 therefor to the department for preliminary inspection and approval or  
34 recommendations with respect to compliance with the ((regulations))  
35 rules and standards ((herein)) authorized.

1       **Sec. 18.** RCW 43.09.260 and 1995 c 301 s 15 are each amended to  
2 read as follows:

3       The examination of the financial affairs of all local governments  
4 shall be made at such reasonable, periodic intervals as the state  
5 auditor shall determine. However, an examination of the financial  
6 affairs of all local governments shall be made at least once in every  
7 three years, and an examination of individual local government health  
8 and welfare benefit plans and local government self-insurance programs  
9 shall be made at least once every two years. The term local  
10 governments for purposes of this chapter includes but is not limited to  
11 all counties, cities, and other political subdivisions, municipal  
12 corporations, and quasi-municipal corporations, however denominated.

13       The state auditor shall establish a schedule to govern the auditing  
14 of local governments which shall include: A designation of the various  
15 classifications of local governments; a designation of the frequency  
16 for auditing each type of local government; and a description of events  
17 which cause a more frequent audit to be conducted.

18       Examinations of hospitals licensed under chapter 70.41 RCW and  
19 health care services and facilities operated or controlled by hospitals  
20 licensed under chapter 70.41 RCW must be coordinated and scheduled in  
21 accordance with chapter 43.-- RCW (sections 1 through 5 of this act).

22       On every such examination, inquiry shall be made as to the  
23 financial condition and resources of the local government; whether the  
24 Constitution and laws of the state, the ordinances and orders of the  
25 local government, and the requirements of the state auditor have been  
26 properly complied with; and into the methods and accuracy of the  
27 accounts and reports.

28       A report of such examination shall be made and filed in the office  
29 of state auditor, and one copy shall be transmitted to the local  
30 government. A copy of any report containing findings of noncompliance  
31 with state law shall be transmitted to the attorney general. If any  
32 such report discloses malfeasance, misfeasance, or nonfeasance in  
33 office on the part of any public officer or employee, within thirty  
34 days from the receipt of his or her copy of the report, the attorney  
35 general shall institute, in the proper county, such legal action as is  
36 proper in the premises by civil process and prosecute the same to final  
37 determination to carry into effect the findings of the examination.



1 It shall be unlawful for any local government or the responsible  
2 head thereof, to make a settlement or compromise of any claim arising  
3 out of such malfeasance, misfeasance, or nonfeasance, or any action  
4 commenced therefor, or for any court to enter upon any compromise or  
5 settlement of such action, without the written approval and consent of  
6 the attorney general and the state auditor.

7 **Sec. 19.** RCW 51.36.110 and 1994 c 154 s 312 are each amended to  
8 read as follows:

9 The director of the department of labor and industries or the  
10 director's authorized representative shall have the authority to:

11 (1) Conduct audits and investigations of providers of medical,  
12 chiropractic, dental, vocational, and other health services furnished  
13 to industrially injured workers pursuant to Title 51 RCW. In the  
14 conduct of such audits or investigations, the director or the  
15 director's authorized representatives may examine all records, or  
16 portions thereof, including patient records, for which services were  
17 rendered by a health services provider and reimbursed by the  
18 department, notwithstanding the provisions of any other statute which  
19 may make or purport to make such records privileged or confidential(~~(+  
20 PROVIDED, That no~~)). However, original patient records ((shall)) may  
21 not be removed from the premises of the health services provider, and  
22 that the disclosure of any records or information obtained under  
23 authority of this section by the department of labor and industries is  
24 prohibited and constitutes a violation of RCW 42.52.050, unless such  
25 disclosure is directly connected to the official duties of the  
26 department(~~(+ AND PROVIDED FURTHER, That)~~). The disclosure of patient  
27 information as required under this section shall not subject any  
28 physician or other health services provider to any liability for breach  
29 of any confidential relationships between the provider and the  
30 patient((+ AND PROVIDED FURTHER, That)). The director or the  
31 director's authorized representative shall destroy all copies of  
32 patient medical records in their possession upon completion of the  
33 audit, investigation, or proceedings. Audits and investigations of  
34 hospitals licensed under chapter 70.41 RCW and health care services or  
35 facilities operated or controlled by hospitals licensed under chapter  
36 70.41 RCW must be coordinated and scheduled in accordance with chapter  
37 43.-- RCW (sections 1 through 5 of this act);

1 (2) Approve or deny applications to participate as a provider of  
2 services furnished to industrially injured workers pursuant to Title 51  
3 RCW; and

4 (3) Terminate or suspend eligibility to participate as a provider  
5 of services furnished to industrially injured workers pursuant to Title  
6 51 RCW.

7 **Sec. 20.** RCW 69.41.270 and 1989 c 352 s 5 are each amended to read  
8 as follows:

9 A pharmaceutical manufacturer, wholesaler, pharmacy, or  
10 practitioner who purchases, dispenses, or distributes legend drugs  
11 shall maintain invoices or such other records as are necessary to  
12 account for the receipt and disposition of the legend drugs.

13 The records maintained pursuant to this section shall be available  
14 for inspection by the board and its authorized representatives and  
15 shall be maintained for two years. Inspections of pharmacies operated  
16 or controlled by hospitals licensed under chapter 70.41 RCW must be  
17 coordinated and scheduled in accordance with chapter 43.-- RCW  
18 (sections 1 through 5 of this act).

19 **Sec. 21.** RCW 70.41.080 and 1995 c 369 s 40 are each amended to  
20 read as follows:

21 Standards for fire protection and the enforcement thereof, with  
22 respect to all hospitals to be licensed (~~hereunder~~) under this  
23 chapter shall be the responsibility of the chief of the Washington  
24 state patrol, through the director of fire protection, who shall adopt,  
25 after approval by the department, such recognized standards as may be  
26 applicable to hospitals for the protection of life against the cause  
27 and spread of fire and fire hazards. The department upon receipt of an  
28 application for a license, shall submit to the director of fire  
29 protection in writing, a request for an inspection, giving the  
30 applicant's name and the location of the premises to be licensed. Upon  
31 receipt of such a request, the chief of the Washington state patrol,  
32 through the director of fire protection, or his or her deputy, shall  
33 make an inspection of the hospital to be licensed, and if it is found  
34 that the premises do not comply with the required safety standards and  
35 fire regulations as adopted pursuant to this chapter, he or she shall  
36 promptly make a written report to the hospital and to the department

1 listing the corrective actions required and the time allowed for  
2 accomplishing such corrections. The applicant or licensee shall notify  
3 the chief of the Washington state patrol, through the director of fire  
4 protection, upon completion of any corrections required by him or her,  
5 and the chief of the Washington state patrol, through the director of  
6 fire protection, or his or her deputy, shall make a reinspection of  
7 such premises. Whenever the hospital to be licensed meets with the  
8 approval of the chief of the Washington state patrol, through the  
9 director of fire protection, he or she shall submit to the department  
10 a written report approving the hospital with respect to fire  
11 protection, and such report is required before a full license can be  
12 issued. The chief of the Washington state patrol, through the director  
13 of fire protection, shall make or cause to be made inspections of such  
14 hospitals at least once a year. Inspections must be coordinated and  
15 scheduled in accordance with chapter 43.-- RCW (sections 1 through 5 of  
16 this act).

17 In cities which have in force a comprehensive building code, the  
18 provisions of which are determined by the chief of the Washington state  
19 patrol, through the director of fire protection, to be equal to the  
20 minimum standards of the code for hospitals adopted by the chief of the  
21 Washington state patrol, through the director of fire protection, the  
22 chief of the fire department, provided the latter is a paid chief of a  
23 paid fire department, shall make the inspection with the chief of the  
24 Washington state patrol, through the director of fire protection, or  
25 his or her deputy and they shall jointly approve the premises before a  
26 full license can be issued.

27 **Sec. 22.** RCW 70.41.120 and 1995 c 282 s 4 are each amended to read  
28 as follows:

29 The department shall make or cause to be made at least yearly an  
30 inspection of all hospitals. Every inspection of a hospital may  
31 include an inspection of every part of the premises. The department  
32 may make an examination of all phases of the hospital operation  
33 necessary to determine compliance with the law and the standards((~~7~~))  
34 and rules ((~~and regulations adopted thereunder~~)) adopted under the law.  
35 Any licensee or applicant desiring to make alterations or additions to  
36 its facilities or to construct new facilities shall, before commencing

1 such alteration, addition, or new construction, comply with the  
2 (~~regulations prescribed~~) rules adopted by the department.

3 No hospital licensed pursuant to the provisions of this chapter  
4 shall be required to be inspected or licensed under other state laws or  
5 rules (~~and regulations promulgated thereunder~~), or local ordinances,  
6 relative to hotels, restaurants, lodging houses, boarding houses,  
7 places of refreshment, nursing homes, maternity homes, or psychiatric  
8 hospitals.

9 To avoid unnecessary duplication in inspections, the department  
10 shall coordinate with the department of social and health services when  
11 inspecting facilities over which both agencies have jurisdiction, the  
12 facilities including but not necessarily being limited to hospitals  
13 with both acute care and skilled nursing or psychiatric nursing  
14 functions. Surveys, inspections, and audits of hospitals must be  
15 coordinated and scheduled in accordance with chapter 43.-- RCW  
16 (sections 1 through 5 of this act).

17 **Sec. 23.** RCW 70.42.170 and 1989 c 386 s 18 are each amended to  
18 read as follows:

19 The department may at any time conduct an on-site review of a  
20 licensee or applicant in order to determine compliance with this  
21 chapter. However, an on-site review of test sites operated or  
22 controlled by hospitals licensed under chapter 70.41 RCW must be  
23 coordinated and scheduled in accordance with chapter 43.-- RCW  
24 (sections 1 through 5 of this act). When the department has reason to  
25 believe a waived site is conducting tests requiring a license, the  
26 department may conduct an on-site review of the waived site in order  
27 to determine compliance. The department may also examine and audit  
28 records necessary to determine compliance with this chapter. The right  
29 to conduct an on-site review and audit and examination of records shall  
30 extend to any premises and records of persons whom the department has  
31 reason to believe are opening, owning, conducting, maintaining,  
32 managing, or otherwise operating a test site without a license.

33 Following an on-site review, the department shall give written  
34 notice of any violation of this chapter or the rules adopted under this  
35 chapter. The notice shall describe the reasons for noncompliance and  
36 inform the licensee or applicant or test site operator that it shall  
37 comply within a specified reasonable time. If the licensee or

1 applicant or test site operator fails to comply, the department may  
2 take disciplinary action under RCW 70.42.120 through 70.42.150, or  
3 further action as authorized by this chapter.

4 **Sec. 24.** RCW 70.62.250 and 1971 ex.s. c 239 s 6 are each amended  
5 to read as follows:

6 The department is hereby granted and shall have and exercise, in  
7 addition to the powers herein granted, all the powers necessary and  
8 appropriate to carry out and execute the purposes of this chapter,  
9 including but not limited to the power:

10 (1) To develop ~~((such))~~ rules ~~((and regulations))~~ for proposed  
11 adoption by the board as may be necessary to implement the purposes of  
12 this chapter;

13 (2) To enter and inspect at any reasonable time any transient  
14 accommodation and to make such investigations as are reasonably  
15 necessary to carry out the provisions of this chapter and any rules  
16 ~~((and regulations promulgated thereunder: PROVIDED, That no))~~ adopted  
17 under this chapter. However, a room or suite ~~((shall))~~ may not be  
18 entered for inspection unless ~~((said))~~ the room or suite is not  
19 occupied by any patron or guest of the transient accommodation at the  
20 time of entry. Inspections of transient accommodations operated or  
21 controlled by hospitals licensed under chapter 70.41 RCW must be  
22 coordinated and scheduled in accordance with chapter 43.-- RCW  
23 (sections 1 through 5 of this act);

24 (3) To perform such other duties and employ such personnel as may  
25 be necessary to carry out the provisions of this chapter; and

26 (4) To administer and enforce the provisions of this chapter and  
27 the rules ~~((and regulations promulgated thereunder))~~ adopted by the  
28 board.

29 **Sec. 25.** RCW 70.96A.090 and 1995 c 312 s 46 are each amended to  
30 read as follows:

31 (1) The department shall adopt rules establishing standards for  
32 approved treatment programs, the process for the review and inspection  
33 program applying to the department for certification as an approved  
34 treatment program, and fixing the fees to be charged by the department  
35 for the required inspections. The standards may concern the health

1 standards to be met and standards of services and treatment to be  
2 afforded patients.

3 (2) The department may suspend, revoke, limit, restrict, or modify  
4 an approval, or refuse to grant approval, for failure to meet the  
5 provisions of this chapter, or the standards adopted under this  
6 chapter. RCW 43.20A.205 governs notice of a license denial,  
7 revocation, suspension, or modification and provides the right to an  
8 adjudicative proceeding.

9 (3) No treatment program may advertise or represent itself as an  
10 approved treatment program if approval has not been granted, or has  
11 been denied, suspended, revoked, or canceled.

12 (4) Certification as an approved treatment program is effective for  
13 one calendar year from the date of issuance of the certificate. The  
14 certification shall specify the types of services provided by the  
15 approved treatment program that meet the standards adopted under this  
16 chapter. Renewal of certification shall be made in accordance with  
17 this section for initial approval and in accordance with the standards  
18 set forth in rules adopted by the secretary.

19 (5) Approved treatment programs shall not provide alcoholism or  
20 other drug addiction treatment services for which the approved  
21 treatment program has not been certified. Approved treatment programs  
22 may provide services for which approval has been sought and is pending,  
23 if approval for the services has not been previously revoked or denied.

24 (6) The department periodically shall inspect approved public and  
25 private treatment programs at reasonable times and in a reasonable  
26 manner. Inspections of treatment programs operated or controlled by  
27 hospitals licensed under chapter 70.41 RCW must be coordinated and  
28 scheduled in accordance with chapter 43.-- RCW (sections 1 through 5 of  
29 this act).

30 (7) The department shall maintain and periodically publish a  
31 current list of approved treatment programs.

32 (8) Each approved treatment program shall file with the department  
33 on request, data, statistics, schedules, and information the department  
34 reasonably requires. An approved treatment program that without good  
35 cause fails to furnish any data, statistics, schedules, or information  
36 as requested, or files fraudulent returns thereof, may be removed from  
37 the list of approved treatment programs, and its certification revoked  
38 or suspended.

1 (9) The department shall use the data provided in subsection (8) of  
2 this section to evaluate each program that admits children to inpatient  
3 treatment upon application of their parents. The evaluation shall be  
4 done at least once every twelve months. In addition, the department  
5 shall randomly select and review the information on individual children  
6 who are admitted on application of the child's parent for the purpose  
7 of determining whether the child was appropriately placed into  
8 treatment based on an objective evaluation of the child's condition and  
9 the outcome of the child's treatment.

10 (10) Upon petition of the department and after a hearing held upon  
11 reasonable notice to the facility, the superior court may issue a  
12 warrant to an officer or employee of the department authorizing him or  
13 her to enter and inspect at reasonable times, and examine the books and  
14 accounts of, any approved public or private treatment program refusing  
15 to consent to inspection or examination by the department or which the  
16 department has reasonable cause to believe is operating in violation of  
17 this chapter.

18 **Sec. 26.** RCW 70.98.080 and 1984 c 96 s 1 are each amended to read  
19 as follows:

20 (1) The agency shall provide by rule (~~(or regulation)~~) for general  
21 or specific licensing of byproduct, source, special nuclear materials,  
22 or devices or equipment utilizing such materials, or other radioactive  
23 material occurring naturally or produced artificially. Such rule (~~(or~~  
24 ~~regulation)~~) shall provide for amendment, suspension, or revocation of  
25 licenses. Such rule (~~(or regulation)~~) shall provide that:

26 (a) Each application for a specific license shall be in writing and  
27 shall state such information as the agency, by rule (~~(or regulation)~~),  
28 may determine to be necessary to decide the technical, insurance, and  
29 financial qualifications, or any other qualification of the applicant  
30 as the agency may deem reasonable and necessary to protect the  
31 occupational and public health and safety. The agency may at any time  
32 after the filing of the application, and before the expiration of the  
33 license, require further written statements and shall make such  
34 inspections as the agency deems necessary in order to determine whether  
35 the license should be granted or denied or whether the license should  
36 be modified, suspended, or revoked. In no event shall the agency grant  
37 a specific license to any applicant who has never possessed a specific

1 license issued by a recognized state or federal authority until the  
2 agency has conducted an inspection which insures that the applicant can  
3 meet the rules(~~(, regulations)~~) and standards adopted pursuant to this  
4 chapter. Inspection of hospitals licensed under chapter 70.41 RCW and  
5 health care services or facilities operated or controlled by hospitals  
6 licensed under chapter 70.41 RCW must be coordinated and scheduled in  
7 accordance with chapter 43.-- RCW (sections 1 through 5 of this act).  
8 All applications and statements shall be signed by the applicant or  
9 licensee. The agency may require any applications or statements to be  
10 made under oath or affirmation;

11 (b) Each license shall be in such form and contain such terms and  
12 conditions as the agency may by rule (~~(or regulation)~~) prescribe;

13 (c) No license issued under the authority of this chapter and no  
14 right to possess or utilize sources of ionizing radiation granted by  
15 any license shall be assigned or in any manner disposed of; and

16 (d) The terms and conditions of all licenses shall be subject to  
17 amendment, revision, or modification by rules(~~(, regulations)~~) or  
18 orders issued in accordance with the provisions of this chapter.

19 (2) Before the agency issues a license to an applicant under this  
20 section, it shall give notice of such application to the chief  
21 executive officer of the incorporated city or town, if the application  
22 is for a license within an incorporated city or town, or to the county  
23 legislative authority, if the application is for a license outside the  
24 boundaries of incorporated cities or towns. The incorporated city or  
25 town, through the official or employee selected by it, or the county  
26 legislative authority or the official or employee selected by it, shall  
27 have the right to file with the agency within twenty days after date of  
28 transmittal of such notice, written objections against the applicant or  
29 against the activity for which the license is sought, and shall include  
30 with such objections a statement of all facts upon which such  
31 objections are based, and in case written objections are filed, may  
32 request and the agency may in its discretion hold a formal hearing  
33 under chapter 34.05 RCW. Upon the granting of a license under this  
34 section the agency shall send a duplicate of the license or written  
35 notification to the chief executive officer of the incorporated city or  
36 town in which the license is granted, or to the county legislative  
37 authority if the license is granted outside the boundaries of  
38 incorporated cities or towns.



1 This subsection shall not apply to activities conducted within the  
2 boundaries of the Hanford reservation.

3 (3) The agency may require registration of all sources of ionizing  
4 radiation.

5 (4) The agency may exempt certain sources of ionizing radiation or  
6 kinds of uses or users from the registration or licensing requirements  
7 set forth in this section when the agency makes a finding after  
8 approval of the technical advisory board that the exemption of such  
9 sources of ionizing radiation or kinds of uses or users will not  
10 constitute a significant risk to the health and safety of the public.

11 (5) In (~~promulgating rules and regulations pursuant to~~) adopting  
12 rules under this chapter the agency shall, insofar as practical, strive  
13 to avoid requiring dual licensing, and shall provide for such  
14 recognition of other state or federal licenses as the agency shall deem  
15 desirable, subject to such registration requirements as the agency may  
16 prescribe.

17 **Sec. 27.** RCW 70.98.090 and 1985 c 372 s 2 are each amended to read  
18 as follows:

19 The agency or its duly authorized representative shall have the  
20 power to enter at all reasonable times upon any private or public  
21 property for the purpose of determining whether or not there is  
22 compliance with or violation of the provisions of this chapter and  
23 rules (~~and regulations issued thereunder~~) adopted under this chapter.  
24 Inspection of hospitals licensed under chapter 70.41 RCW and health  
25 care services or facilities operated or controlled by hospitals  
26 licensed under chapter 70.41 RCW must be coordinated and scheduled in  
27 accordance with chapter 43.-- RCW (sections 1 through 5 of this act).

28 **Sec. 28.** RCW 70.127.180 and 2000 c 175 s 15 are each amended to  
29 read as follows:

30 (1) The department may at any time conduct a survey of all records  
31 and operations of a licensee in order to determine compliance with this  
32 chapter. The department may conduct in-home visits to observe  
33 patient/client care and services. The right to conduct a survey shall  
34 extend to any premises and records of persons whom the department has  
35 reason to believe are providing home health, hospice, or home care  
36 services without a license. Surveys of licensees operated or

1 controlled by hospitals licensed under chapter 70.41 RCW must be  
2 coordinated and scheduled in accordance with chapter 43.-- RCW  
3 (sections 1 through 5 of this act).

4 (2) Following a survey, the department shall give written notice of  
5 any violation of this chapter or the rules adopted under this chapter.  
6 The notice shall describe the reasons for noncompliance.

7 (3) The licensee may be subject to formal enforcement action under  
8 RCW 70.127.170 if the department determines: (a) The licensee has  
9 previously been subject to a formal enforcement action for the same or  
10 similar type of violation of the same statute or rule, or has been  
11 given previous notice of the same or similar type of violation of the  
12 same statute or rule; (b) the licensee failed to achieve compliance  
13 with a statute, rule, or order by the date established in a previously  
14 issued notice or order; (c) the violation resulted in actual serious  
15 physical or emotional harm or immediate threat to the health, safety,  
16 welfare, or rights of one or more individuals; or (d) the violation has  
17 a potential for serious physical or emotional harm or immediate threat  
18 to the health, safety, welfare, or rights of one or more individuals.

19 **Sec. 29.** RCW 70.168.070 and 1990 c 269 s 9 are each amended to  
20 read as follows:

21 Any hospital or health care facility that desires to be authorized  
22 to provide a designated trauma care service shall request designation  
23 from the department. Designation involves a contractual relationship  
24 between the state and a hospital or health care facility whereby each  
25 agrees to maintain a level of commitment and resources sufficient to  
26 meet responsibilities and standards required by the statewide emergency  
27 medical services and trauma care system plan. By January 1992, the  
28 department shall determine by rule the manner and form of such  
29 requests. Upon receiving a request, the department shall review the  
30 request to determine whether the hospital or health care facility is in  
31 compliance with standards for the trauma care service or services for  
32 which designation is desired. If requests are received from more than  
33 one hospital or health care facility within the same emergency medical  
34 planning and trauma care planning and service region, the department  
35 shall select the most qualified applicant or applicants to be selected  
36 through a competitive process. Any applicant not designated may  
37 request a hearing to review the decision.

1 Designations are valid for a period of three years and are  
2 renewable upon receipt of a request for renewal prior to expiration  
3 from the hospital or health care facility. When an authorization for  
4 designation is due for renewal other hospitals and health care  
5 facilities in the area may also apply and compete for designation.  
6 Regional emergency medical and trauma care councils shall be notified  
7 promptly of designated hospitals and health care facilities in their  
8 region so they may incorporate them into the regional plan as required  
9 by this chapter. The department may revoke or suspend the designation  
10 should it determine that the hospital or health care facility is  
11 substantially out of compliance with the standards and has refused or  
12 been unable to comply after a reasonable period of time has elapsed.  
13 The department shall promptly notify the regional emergency medical and  
14 trauma care planning and service region of suspensions or revocations.  
15 Any facility whose designation has been revoked or suspended may  
16 request a hearing to review the action by the department as provided  
17 for in chapter 34.05 RCW.

18 As a part of the process to designate and renew the designation of  
19 hospitals authorized to provide level I, II, or III trauma care  
20 services or level I, II, and III pediatric trauma care services, the  
21 department shall contract for on-site reviews of such hospitals to  
22 determine compliance with required standards. The department may  
23 contract for on-site reviews of hospitals and health care facilities  
24 authorized to provide level IV or V trauma care services or level I, I-  
25 pediatric, II, or III trauma-related rehabilitative services to  
26 determine compliance with required standards. Members of on-site  
27 review teams and staff included in site visits are exempt from RCW  
28 42.17.250 through 42.17.450. They may not divulge and cannot be  
29 subpoenaed to divulge information obtained or reports written pursuant  
30 to this section in any civil action, except, after in camera review,  
31 pursuant to a court order which provides for the protection of  
32 sensitive information of interested parties including the department:  
33 (1) In actions arising out of the department's designation of a  
34 hospital or health care facility pursuant to this section; (2) in  
35 actions arising out of the department's revocation or suspension of  
36 designation status of a hospital or health care facility under this  
37 section; or (3) in actions arising out of the restriction or revocation  
38 of the clinical or staff privileges of a health care provider as

1 defined in RCW (~~70.70.020~~) 7.70.020 (1) and (2), subject to any  
2 further restrictions on disclosure in RCW 4.24.250 that may apply.  
3 Information that identifies individual patients shall not be publicly  
4 disclosed without the patient's consent. When a facility requests  
5 designation for more than one service, the department may coordinate  
6 the joint consideration of such requests.

7 On-site reviews, inspections or surveys of hospitals licensed under  
8 chapter 70.41 RCW or health care facilities operated or controlled by  
9 hospitals licensed under chapter 70.41 RCW must be coordinated and  
10 scheduled in accordance with chapter 43.-- RCW (sections 1 through 5 of  
11 this act).

12 The department may establish fees to help defray the costs of this  
13 section, though such fees shall not be assessed to health care  
14 facilities authorized to provide level IV and V trauma care services.

15 This section shall not restrict the authority of a hospital or a  
16 health care provider licensed under Title 18 RCW to provide services  
17 which it has been authorized to provide by state law.

18 **Sec. 30.** RCW 70.168.080 and 1990 c 269 s 10 are each amended to  
19 read as follows:

20 (1) Any provider desiring to provide a verified prehospital trauma  
21 care service shall indicate on the licensing application how they meet  
22 the standards required for verification as a provider of this service.  
23 The department shall notify the regional emergency medical services and  
24 trauma care councils of the providers of verified trauma care services  
25 in their regions. The department may conduct on-site reviews of  
26 prehospital providers to assess compliance with the applicable  
27 standards. On-site reviews, inspections, or surveys of prehospital  
28 providers operated or controlled by hospitals licensed under chapter  
29 70.41 RCW must be coordinated and scheduled in accordance with chapter  
30 43.-- RCW (sections 1 through 5 of this act).

31 (2) Should the department determine that a prehospital provider is  
32 substantially out of compliance with the standards, the department  
33 shall notify the regional emergency medical services and trauma care  
34 council. If the failure of a prehospital provider to comply with the  
35 applicable standards results in the region being out of compliance with  
36 its regional plan, the council shall take such steps necessary to  
37 assure the region is brought into compliance within a reasonable period

1 of time. The council may seek assistance and funding from the  
2 department and others to provide training or grants necessary to bring  
3 a prehospital provider into compliance. The council may appeal to the  
4 department for modification of the regional plan if it is unable to  
5 assure continued compliance with the regional plan. The department may  
6 authorize modification of the plan if such modifications meet the  
7 requirements of this chapter. The department may suspend or revoke the  
8 authorization of a prehospital provider to provide a verified  
9 prehospital service if the provider has refused or been unable to  
10 comply after a reasonable period of time has elapsed. The council  
11 shall be notified promptly of any revocations or suspensions. Any  
12 prehospital provider whose verification has been suspended or revoked  
13 may request a hearing to review the action by the department as  
14 provided for in chapter 34.05 RCW.

15 (3) The department may grant a variance from provisions of this  
16 section if the department determines: (a) That no detriment to public  
17 health and safety will result from the variance, and (b) compliance  
18 with provisions of this section will cause a reduction or loss of  
19 existing prehospital services. Variances may be granted for a period  
20 not to exceed one year. A variance may be renewed by the department.  
21 If a renewal is granted, a plan of compliance shall be prepared  
22 specifying steps necessary to bring a provider or region into  
23 compliance and expected date of compliance.

24 (4) This section shall not restrict the authority of a provider  
25 licensed under Title 18 RCW to provide services which it has been  
26 authorized to provide by state law.

27 **Sec. 31.** RCW 71.12.480 and 2000 c 93 s 24 are each amended to read  
28 as follows:

29 The department of health shall not grant any such license until it  
30 has made an examination of all phases of the operation of the  
31 establishment necessary to determine compliance with rules adopted  
32 under this chapter including the premises proposed to be licensed and  
33 is satisfied that the premises are substantially as described, and are  
34 otherwise fit and suitable for the purposes for which they are designed  
35 to be used, and that such license should be granted. Examinations of  
36 establishments operated or controlled by hospitals licensed under

1 chapter 70.41 RCW must be coordinated and scheduled in accordance with  
2 chapter 43.-- RCW (sections 1 through 5 of this act).

3 **Sec. 32.** RCW 71.12.485 and 1995 c 369 s 61 are each amended to  
4 read as follows:

5 Standards for fire protection and the enforcement thereof, with  
6 respect to all establishments to be licensed hereunder, shall be the  
7 responsibility of the chief of the Washington state patrol, through the  
8 director of fire protection, who shall adopt such recognized standards  
9 as may be applicable to such establishments for the protection of life  
10 against the cause and spread of fire and fire hazards. The department  
11 of health, upon receipt of an application for a license, or renewal of  
12 a license, shall submit to the chief of the Washington state patrol,  
13 through the director of fire protection, in writing, a request for an  
14 inspection, giving the applicant's name and the location of the  
15 premises to be licensed. Upon receipt of such a request, the chief of  
16 the Washington state patrol, through the director of fire protection,  
17 or his or her deputy shall make an inspection of the establishment to  
18 be licensed, and if it is found that the premises do not comply with  
19 the required safety standards and fire (~~regulations as promulgated~~)  
20 rules adopted by the chief of the Washington state patrol, through the  
21 director of fire protection, he or she shall promptly make a written  
22 report to the establishment and the department of health as to the  
23 manner and time allowed in which the premises must qualify for a  
24 license and set forth the conditions to be remedied with respect to  
25 fire regulations. The department of health, applicant or licensee  
26 shall notify the chief of the Washington state patrol, through the  
27 director of fire protection, upon completion of any requirements made  
28 by him or her, and the director of fire protection or his or her deputy  
29 shall make a reinspection of such premises. Whenever the establishment  
30 to be licensed meets with the approval of the chief of the Washington  
31 state patrol, through the director of fire protection, he or she shall  
32 submit to the department of health a written report approving same with  
33 respect to fire protection before a full license can be issued. The  
34 chief of the Washington state patrol, through the director of fire  
35 protection, shall make or cause to be made inspections of such  
36 establishments at least annually. The department of health shall not  
37 license or continue the license of any establishment unless and until

1 it shall be approved by the chief of the Washington state patrol,  
2 through the director of fire protection, as (~~herein~~) provided in this  
3 section.

4 In cities which have in force a comprehensive building code, the  
5 provisions of which are determined by the chief of the Washington state  
6 patrol, through the director of fire protection, to be equal to the  
7 minimum standards of the chief of the Washington state patrol, through  
8 the director of fire protection, for such establishments, the chief of  
9 the fire department, provided the latter is a paid chief of a paid fire  
10 department, shall make the inspection with the chief of the Washington  
11 state patrol, through the director of fire protection, or his or her  
12 deputy, and they shall jointly approve the premises before a full  
13 license can be issued. Inspections of establishments operated or  
14 controlled by hospitals licensed under chapter 70.41 RCW must be  
15 coordinated and scheduled in accordance with chapter 43.-- RCW  
16 (sections 1 through 5 of this act).

17 **Sec. 33.** RCW 71.12.500 and 2000 c 93 s 25 are each amended to read  
18 as follows:

19 The department of health may at any time examine and ascertain how  
20 far a licensed establishment is conducted in compliance with this  
21 chapter, the rules adopted under this chapter, and the requirements of  
22 the license therefor. However, examinations of licensed establishments  
23 operated or controlled by hospitals licensed under chapter 70.41 RCW  
24 must be coordinated and scheduled in accordance with chapter 43.-- RCW  
25 (sections 1 through 5 of this act). If the interests of the patients  
26 of the establishment so demand, the department may, for just and  
27 reasonable cause, suspend, modify, or revoke any such license. RCW  
28 43.70.115 governs notice of a license denial, revocation, suspension,  
29 or modification and provides the right to an adjudicative proceeding.

30 **Sec. 34.** RCW 74.09.200 and 1979 ex.s. c 152 s 1 are each amended  
31 to read as follows:

32 The legislature finds and declares it to be in the public interest  
33 and for the protection of the health and welfare of the residents of  
34 the state of Washington that a proper regulatory and inspection program  
35 be instituted in connection with the providing of medical, dental, and  
36 other health services to recipients of public assistance and medically

1 indigent persons. In order to effectively accomplish such purpose and  
2 to assure that the recipient of such services receives such services as  
3 are paid for by the state of Washington, the acceptance by the  
4 recipient of such services, and by practitioners of reimbursement for  
5 performing such services, shall authorize the secretary of (~~the~~  
6 ~~department of~~) social and health services or (~~his~~) a designee, to  
7 inspect and audit all records in connection with the providing of such  
8 services. Inspections, audits, and surveys of hospitals licensed under  
9 chapter 70.41 RCW and health care services or facilities operated or  
10 controlled by hospitals licensed under chapter 70.41 RCW must be  
11 coordinated and scheduled in accordance with chapter 43.-- RCW  
12 (sections 1 through 5 of this act).

13 NEW SECTION. Sec. 35. Section 5 of this act is necessary for the  
14 immediate preservation of the public peace, health, or safety, or  
15 support of the state government and its existing public institutions,  
16 and takes effect immediately.

17 NEW SECTION. Sec. 36. Sections 1 through 4 and 7 through 34 of  
18 this act take effect January 1, 2004.

19 NEW SECTION. Sec. 37. Sections 1 through 5 of this act constitute  
20 a new chapter in Title 43 RCW.

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