

# HOUSE BILL REPORT

## SHB 2087

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### As Passed Legislature

**Title:** An act relating to certification and recertification of health care facilities.

**Brief Description:** Regarding the certification and recertification of health care facilities.

**Sponsors:** By House Committee on Appropriations (originally sponsored by Representatives Fromhold, Hinkle, Cody and Moeller).

**Brief History:**

**Committee Activity:**

Appropriations: 2/15/07, 2/21/07 [DPS].

**Floor Activity:**

Passed House: 3/13/07, 95-1.

Passed Senate: 4/13/07, 46-0.

Passed Legislature.

### Brief Summary of Substitute Bill

- Authorizes the Department of Health to assess fees for the certification and recertification of health care facilities when the federal government does not provide sufficient funding to cover all certifications and recertifications.

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 31 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Chandler, Cody, Conway, Darneille, Ericks, Fromhold, Grant, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Kretz, Linville, McDermott, McDonald, McIntire, Morrell, Pettigrew, Schual-Berke, Seaquist, P. Sullivan and Walsh.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Buri and Dunn.

**Staff:** Bernard Dean (786-7130).

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Background:**

The Department of Health (DOH) receives funding from the Centers for Medicare and Medicaid Services (CMS) to certify health care facilities for Medicare and Medicaid reimbursement.

The DOH's certification work includes complaint investigations, surveys for recertification of existing Medicare facilities, and initial certifications of new facilities. The facilities covered by that work include hospitals, home health agencies, rehabilitation services, rural health clinics, ambulatory surgery centers, and kidney dialysis centers.

Under an agreement with the federal government, the CMS establishes four priority levels of certification activity to be done under the DOH's grant agreement. The CMS establishes a set budget allocation for each state. The DOH then identifies the amount of work it can do based on the budget allocation and priorities set by the CMS.

Four of the six types of facilities (home health, hospice, hospitals, and ambulatory surgery centers) covered by the program have the option to obtain their initial federal certification survey through independent accrediting organizations.

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**Summary of Substitute Bill:**

The DOH may assess fees for the certification and recertification of health care facilities when the federal government does not provide sufficient funding to cover all certifications and recertifications.

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**Appropriation:** None.**Fiscal Note:** Available.**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.**Staff Summary of Public Testimony:**

(In support) This bill supports the opening of new dialysis facilities. After dialysis clinics are approved through the certificate of need process they need to be certified for Medicare by the Department of Health (DOH). The DOH has prioritized their workload for 2007 and certifying new dialysis clinics is at the bottom of the list. There is a concern that new dialysis centers will not be certified or be able to open. There is a facility in Vancouver that was constructed, but sits unused because they haven't received Medicare certification. This bill would give the DOH an opportunity to solve this problem by either assessing a fee or receiving state appropriations.

(Opposed) None.

**Persons Testifying:** (In support) Jean Stevens, Fresenius Medical Care-Kidney Dialysis; and Robin Appleford, DaVita, Incorporated.

**Persons Signed In To Testify But Not Testifying:** None.