

# HOUSE BILL REPORT

## HB 2539

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### As Passed Legislature

**Title:** An act relating to public hospital district health and wellness promotion activities and superintendent appointment and removal.

**Brief Description:** Concerning public hospital district health and wellness promotion activities and superintendent appointment and removal.

**Sponsors:** Representatives Peterson, Griffey, Kloba and Robinson.

#### **Brief History:**

##### **Committee Activity:**

Local Government: 1/17/18, 1/23/18 [DP].

##### **Floor Activity:**

Passed House: 2/12/18, 58-39.

Passed Senate: 2/28/18, 46-2.

Passed Legislature.

#### **Brief Summary of Bill**

- Expands the definitions of other health care facilities and other health care services in the public hospital district statutes to include wellness promotion activities.
- Authorizes a public hospital district commission to appoint or remove a hospital superintendent at the same meeting (instead of at a subsequent meeting) that a resolution is introduced relating to the matter.

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass. Signed by 5 members: Representatives Appleton, Chair; McBride, Vice Chair; Griffey, Ranking Minority Member; Gregerson and Peterson.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Pike, Assistant Ranking Minority Member; Taylor.

**Staff:** Yvonne Walker (786-7841).

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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:**

Public hospital districts are a type of a special purpose district created in 1945. Public hospital districts are also municipal corporations authorized to operate hospitals and other health care facilities and to provide hospital and health care services within a specified community.

### Terms Defined.

As defined in the public hospital districts statute, other health care facilities means nursing home, extended care, long-term care, outpatient and rehabilitative facilities, ambulances, and such other facilities as are appropriate to the health needs of the population served. Other health care services means nursing home, extended care, long-term care, outpatient, rehabilitative, health maintenance, and ambulance services and such other services as are appropriate to the health needs of the population served.

### Public Hospital District Commission Appointment of Superintendents.

Local residents may form a hospital district by an election. A board of commissioners governs each public hospital district. Fifty-eight local communities in Washington have established public hospital districts; 44 have hospitals and the others provide services such as ambulance, urgent care, and nursing homes.

Each public hospital district commission is responsible for appointing a hospital superintendent who serves as the chief administrative officer of the public hospital district and is responsible for controlling the administrative functions of the hospital. Where a public hospital district operates more than one hospital, the public hospital district commission may appoint up to one superintendent per hospital. Although appointed for an indefinite time, a hospital superintendent's position may terminate at any time at the will of the commission. Appointments and removals of superintendents are done by resolution, which are introduced at a regular meeting and adopted at a subsequent meeting by a majority vote of the commission.

## **Summary of Bill:**

### Terms Defined.

The terms other health care facilities and other health care services are expanded. Other health care facilities include facilities that promote health, wellness, and the prevention of illness and injury. Other health care services is expanded to include services that promote health, wellness, and the prevention of illness and injury.

### Public Hospital District Commission Appointment of Superintendents.

The appointment or removal of a hospital superintendent may be done by resolution, which is introduced at a regular meeting and adopted at the same meeting (rather than the act being limited to adoption at a subsequent meeting) of the commission.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) Many payment and insurance systems are trying to keep people out of hospitals by preventing illness and creating wellness. One of the issues in hospital districts was that they were trying to do some health prevention work in the community. The current law states that public hospital districts include such other services as are appropriate to the health needs of the population served. The auditor's office was not sure if the statute was clear enough to allow a district to do work around childhood obesity, getting people healthy, and other prevention types of activities. This bill expands the definition of "other facilities" to allow districts to do more wellness programs by providing express language that states that doing wellness activities under the public health statute is allowable.

In addition, hospital districts often meet only once a month. If there is an issue with a superintendent, the process of replacing that superintendent can take a long time. A quick resolution is often better when a situation is already going south. Current law is also a problem when trying to hire a person. If a person is retiring, a district cannot pass a resolution and hire a person at the same time, which often results in having the salaries of two people on the books at the same time.

This is a cleanup bill to deal with some issues. There are 55 public hospital districts in the state, 42 of which have hospitals and the others provide other types of services. All of the public hospitals with the exception of three are rural.

(Opposed) None.

**Persons Testifying:** Representative Peterson, prime sponsor; and Ben Lindekugal, Association of Public Hospital Districts.

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