SENATE BILL REPORT SB 5593

As of February 13, 2017

Title: An act relating to postsurgical care.

Brief Description: Concerning postsurgical care.

Sponsors: Senators Frockt, Becker, Rivers and O'Ban.

Brief History:

Committee Activity: Health Care: 2/13/17.

Brief Summary of Bill

- Authorizes ambulatory surgical facilities to offer postsurgical care services in a postsurgical care center.
- Exempts postsurgical care centers and ambulatory surgical facilities that are adding a postsurgical care center from certificate of need requirements.

SENATE COMMITTEE ON HEALTH CARE

Staff: Evan Klein (786-7483)

Background: Ambulatory Surgical Facilities (ASF). ASFs are defined as any distinct entities with the primary purpose of providing outpatient surgical services, in which patients are discharged within 24 hours and do not require inpatient hospitalization. Licensed ambulatory surgical facilities must have facility safety and emergency training programs in place, which must include written transfer agreements with local hospitals. If a patient at an ambulatory surgical facility encounters complications, or otherwise requires inpatient care following their surgery, they must be transferred to a hospital.

Currently, both Medicare and Medicaid do not cover surgeries at ambulatory surgical facilities if the surgery requires an overnight stay.

Washington does not currently license or permit the operation of extended stay recovery centers, postsurgical care centers or other overnight recovery centers associated specifically with an ambulatory surgical facility.

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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.

<u>Certificate of Need (CON)</u>. A CON is a regulatory program run by the Department of Health (DOH) that requires certain healthcare providers to receive state approval before building certain types of facilities or offering new or expanded services.

Summary of Bill: <u>Postsurgical Care Services</u>. A postsurgical care center (PCC) is a designated site that is either freestanding or a defined unit of an ASF that provides medical and nursing postsurgical care services (PCSs). PCSs include postsurgical and post-diagnostic medical and nursing services, physical therapy, and occupational therapy provided to a patient for whom, in the opinion of an attending physician, an uncomplicated recovery is expected. Postsurgical care services do not include intensive care, cardiac care, critical care, surgery, radiology, or obstetrical services.

<u>Postsurgical Care Centers.</u> An ASF may offer PCSs in a PCC to a patient for up to 72 hours. If the patient requires additional care, they must be transferred to an appropriate facility. PCCs may include up to four beds. PCCs and PCSs offered by an ASF must be included in the ASF's emergency training plan, and must meet the 2006 guidelines for the design and construction of health care facilities. A transfer agreement with a general acute care hospital must be maintained. DOH must survey any PCCs operated by an ASF.

<u>Certificate of Need.</u> PCCs and ASFs that add a PCC are not subject to CON review.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Postsurgical care centers are a way to deliver health care on a more cost efficient basis. These centers have lower rates of infections then other facility types. Other states have also refined this facility option. These facilities will hopefully help drive down costs for surgeries and recovery. ASFs accept charity care, Medicaid and Medicare patients. The cost to a patient getting a surgery at an ASF is about 50 percent of that for the same procedure at a hospital. These PCCs are important for people who have procedures in ASF's but are not comfortable going home after 24 hours.

CON: This bill adds a new entity, a PCC, however there are no new regulations added to ASFs. There are no new safety or oversight standards. The 72 hours allowed at a postsurgical facility is in addition to the 24 hours at an ASF, which is a longer total stay than the average stay at a hospital. These facilities are essentially specialty hospitals and they jeopardize the financial viability of community hospitals. Hospitals provide a wide range of services to all patients and all communities, which these PCCs would not.

Persons Testifying: PRO: Senator David Frockt, Prime Sponsor; Emily Studebaker, WA Ambulatory Surgery Center Assn.; Dave Fitzgerald, Proliance Surgeons.

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CON: Lisa Thatcher, Washington State Hospital Association; Syd Bersante, CHI Franciscan.

Persons Signed In To Testify But Not Testifying: No one.

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