

# SENATE BILL REPORT

## SB 6359

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As Amended by House, March 5, 2020

**Title:** An act relating to creating regulation exemptions for rural health clinics providing services in a designated home health shortage area.

**Brief Description:** Creating regulation exemptions for rural health clinics providing services in a designated home health shortage area.

**Sponsors:** Senators Short and Randall.

**Brief History:**

**Committee Activity:** Health & Long Term Care: 1/29/20, 2/03/20, 2/05/20 [DP].

**Floor Activity:**

Passed Senate: 2/12/20, 47-0.

Passed House: 3/05/20, 97-0.

**Brief Summary of Bill**

- Exempts rural health clinics providing health services in a home health shortage area from the Department of Health's in-home services regulation and certificate of need review.

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### SENATE COMMITTEE ON HEALTH & LONG TERM CARE

**Majority Report:** Do pass.

Signed by Senators Cleveland, Chair; Randall, Vice Chair; O'Ban, Ranking Member; Becker, Conway, Dhingra, Frockt, Keiser, Muzzall, Rivers and Van De Wege.

**Staff:** LeighBeth Merrick (786-7445)

**Background:** The Department of Health (DOH) licenses and regulates healthcare professions and facilities in Washington State. In-home service agencies are licensed to provide home health, home care, hospice services, or hospice care center services directly or through a contract arrangement to individuals in a temporary or permanent residence. DOH exempts a number of persons, activities, and entities providing health care services to people in their homes from the in-home service agencies' licensing requirements.

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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.*

DOH's Certificate of Need Program (CON) is a regulatory process requiring certain healthcare providers to get state approval before building certain types of facilities, or offering new or expanded services. CON review is required for the establishment of Medicare or Medicaid home health and hospice agencies. In accordance with the Centers for Medicare and Medicaid (CMS) rules, DOH's Rural Health program reviews county and community data to declare a home health shortage area. DOH and CMS established a process to expand home health services in these shortage areas and currently do not require CON review for rural health clinics providing home health in a home health shortage area.

**Summary of Bill:** A rural health clinic providing health services in a home health shortage area as declared by DOH, and in accordance with federal rules, is exempt from DOH's in-home services regulations and certificate of need 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: Home health is important and is especially needed in rural areas. DOH and CMS have worked out a process for rural health clinics to provide visiting nurse services in rural areas, but the two state laws requiring CON and in-home service agencies' licensing for these rural clinics are a barrier. This bill would alleviate those barriers by providing rural health clinics with the flexibility they need while still protecting patients.

**Persons Testifying:** PRO: Senator Shelly Short, Prime Sponsor; Jacqueline Barton True, Washington State Hospital Association.

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

**EFFECT OF HOUSE AMENDMENT(S):**

- Makes a non-substantive technical change by moving the certificate of need exemption into the RCW section dealing with certificate of need exemptions rather than referencing it in the in-home services RCW.