

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE HOUSE BILL 1148

Chapter 61, Laws of 2021

67th Legislature
2021 Regular Session

ACUTE CARE HOSPITALS—LICENSING AND ENFORCEMENT

EFFECTIVE DATE: July 25, 2021

Passed by the House February 25, 2021
Yeas 60 Nays 37

LAURIE JINKINS

**Speaker of the House of
Representatives**

Passed by the Senate April 6, 2021
Yeas 32 Nays 16

DENNY HECK

President of the Senate

Approved April 16, 2021 10:16 AM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 1148** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

April 16, 2021

**Secretary of State
State of Washington**

SECOND SUBSTITUTE HOUSE BILL 1148

Passed Legislature - 2021 Regular Session

State of Washington **67th Legislature** **2021 Regular Session**

By House Appropriations (originally sponsored by Representatives
Cody, Macri, Stonier, Lekanoff, and Pollet)

READ FIRST TIME 02/15/21.

1 AN ACT Relating to protecting patient safety in acute care
2 hospitals through improvements in licensing and enforcement; and
3 amending RCW 70.41.020 and 70.41.130.

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

5 **Sec. 1.** RCW 70.41.020 and 2016 c 226 s 1 are each amended to
6 read as follows:

7 Unless the context clearly indicates otherwise, the following
8 terms, whenever used in this chapter, shall be deemed to have the
9 following meanings:

10 (1) "Aftercare" means the assistance provided by a lay caregiver
11 to a patient under this chapter after the patient's discharge from a
12 hospital. The assistance may include, but is not limited to,
13 assistance with activities of daily living, wound care, medication
14 assistance, and the operation of medical equipment. "Aftercare"
15 includes assistance only for conditions that were present at the time
16 of the patient's discharge from the hospital. "Aftercare" does not
17 include:

18 (a) Assistance related to conditions for which the patient did
19 not receive medical care, treatment, or observation in the hospital;
20 or

1 (b) Tasks the performance of which requires licensure as a health
2 care provider.

3 (2) "Department" means the Washington state department of health.

4 (3) "Discharge" means a patient's release from a hospital
5 following the patient's admission to the hospital.

6 (4) "Distant site" means the site at which a physician or other
7 licensed provider, delivering a professional service, is physically
8 located at the time the service is provided through telemedicine.

9 (5) "Emergency care to victims of sexual assault" means medical
10 examinations, procedures, and services provided by a hospital
11 emergency room to a victim of sexual assault following an alleged
12 sexual assault.

13 (6) "Emergency contraception" means any health care treatment
14 approved by the food and drug administration that prevents pregnancy,
15 including but not limited to administering two increased doses of
16 certain oral contraceptive pills within seventy-two hours of sexual
17 contact.

18 (7) "Hospital" means any institution, place, building, or agency
19 which provides accommodations, facilities and services over a
20 continuous period of twenty-four hours or more, for observation,
21 diagnosis, or care, of two or more individuals not related to the
22 operator who are suffering from illness, injury, deformity, or
23 abnormality, or from any other condition for which obstetrical,
24 medical, or surgical services would be appropriate for care or
25 diagnosis. "Hospital" as used in this chapter does not include
26 hotels, or similar places furnishing only food and lodging, or simply
27 domiciliary care; nor does it include clinics, or physician's offices
28 where patients are not regularly kept as bed patients for twenty-four
29 hours or more; nor does it include nursing homes, as defined and
30 which come within the scope of chapter 18.51 RCW; nor does it include
31 birthing centers, which come within the scope of chapter 18.46 RCW;
32 nor does it include psychiatric hospitals, which come within the
33 scope of chapter 71.12 RCW; nor any other hospital, or institution
34 specifically intended for use in the diagnosis and care of those
35 suffering from mental illness, intellectual disability, convulsive
36 disorders, or other abnormal mental condition. Furthermore, nothing
37 in this chapter or the rules adopted pursuant thereto shall be
38 construed as authorizing the supervision, regulation, or control of
39 the remedial care or treatment of residents or patients in any
40 hospital conducted for those who rely primarily upon treatment by

1 prayer or spiritual means in accordance with the creed or tenets of
2 any well recognized church or religious denominations.

3 (8) "Immediate jeopardy" means a situation in which the
4 hospital's noncompliance with one or more statutory or regulatory
5 requirements has placed the health and safety of patients in its care
6 at risk for serious injury, serious harm, serious impairment, or
7 death.

8 (9) "Lay caregiver" means any individual designated as such by a
9 patient under this chapter who provides aftercare assistance to a
10 patient in the patient's residence. "Lay caregiver" does not include
11 a long-term care worker as defined in RCW 74.39A.009.

12 ((+9)) (10) "Originating site" means the physical location of a
13 patient receiving health care services through telemedicine.

14 ((+10)) (11) "Person" means any individual, firm, partnership,
15 corporation, company, association, or joint stock association, and
16 the legal successor thereof.

17 ((+11)) (12) "Secretary" means the secretary of health.

18 ((+12)) (13) "Sexual assault" has the same meaning as in RCW
19 70.125.030.

20 ((+13)) (14) "Telemedicine" means the delivery of health care
21 services through the use of interactive audio and video technology,
22 permitting real-time communication between the patient at the
23 originating site and the provider, for the purpose of diagnosis,
24 consultation, or treatment. "Telemedicine" does not include the use
25 of audio-only telephone, facsimile, or email.

26 ((+14)) (15) "Victim of sexual assault" means a person who
27 alleges or is alleged to have been sexually assaulted and who
28 presents as a patient.

29 **Sec. 2.** RCW 70.41.130 and 2011 c 302 s 3 are each amended to
30 read as follows:

31 (1) The department is authorized to ~~((deny, suspend, revoke, or~~
32 ~~modify a)) take any of the actions identified in this section against~~
33 ~~a hospital's~~ license or provisional license in any case in which it
34 finds that there has been a failure or refusal to comply with the
35 requirements of this chapter or the standards or rules adopted under
36 this chapter or the requirements of RCW 71.34.375.

37 (a) When the department determines the hospital has previously
38 been subject to an enforcement action for the same or similar type of
39 violation of the same statute or rule, or has been given any previous

1 statement of deficiency that included the same or similar type of
2 violation of the same or similar statute or rule, or when the
3 hospital failed to correct noncompliance with a statute or rule by a
4 date established or agreed to by the department, the department may
5 impose reasonable conditions on a license. Conditions may include
6 correction within a specified amount of time, training, or hiring a
7 department-approved consultant if the hospital cannot demonstrate to
8 the department that it has access to sufficient internal expertise.
9 If the department determines that the violations constitute immediate
10 jeopardy, the conditions may be imposed immediately in accordance
11 with subsection (3) of this section.

12 (b) (i) In accordance with the authority the department has under
13 RCW 43.70.095, the department may assess a civil fine of up to
14 \$10,000 per violation, not to exceed a total fine of \$1,000,000, on a
15 hospital licensed under this chapter when the department determines
16 the hospital has previously been subject to an enforcement action for
17 the same or similar type of violation of the same statute or rule, or
18 has been given any previous statement of deficiency that included the
19 same or similar type of violation of the same or similar statute or
20 rule, or when the hospital failed to correct noncompliance with a
21 statute or rule by a date established or agreed to by the department.

22 (ii) Proceeds from these fines may only be used by the department
23 to offset costs associated with licensing hospitals.

24 (iii) The department shall adopt in rules under this chapter
25 specific fine amounts in relation to:

26 (A) The severity of the noncompliance and at an adequate level to
27 be a deterrent to future noncompliance; and

28 (B) The number of licensed beds and the operation size of the
29 hospital. The licensed hospital beds will be categorized as:

30 (I) Up to 25 beds;

31 (II) 26 to 99 beds;

32 (III) 100 to 299 beds; and

33 (IV) 300 beds or greater.

34 (iv) If a licensee is aggrieved by the department's action of
35 assessing civil fines, the licensee has the right to appeal under RCW
36 43.70.095.

37 (c) The department may suspend a specific category or categories
38 of services or care or recovery units within the hospital as related
39 to the violation by imposing a limited stop service. This may only be

1 done if the department finds that noncompliance results in immediate
2 jeopardy.

3 (i) Prior to imposing a limited stop service, the department
4 shall provide a hospital written notification upon identifying
5 deficient practices or conditions that constitute an immediate
6 jeopardy, and upon the review and approval of the notification by the
7 secretary or the secretary's designee. The hospital shall have 24
8 hours from notification to develop and implement a department-
9 approved plan to correct the deficient practices or conditions that
10 constitute an immediate jeopardy. If the deficient practice or
11 conditions that constitute immediate jeopardy are not verified by the
12 department as having been corrected within the same 24 hour period,
13 the department may issue the limited stop service.

14 (ii) When the department imposes a limited stop service, the
15 hospital may not admit any new patients to the units in the category
16 or categories subject to the limited stop service until the limited
17 stop service order is terminated.

18 (iii) The department shall conduct a follow-up inspection within
19 five business days or within the time period requested by the
20 hospital if more than five business days is needed to verify the
21 violation necessitating the limited stop service has been corrected.

22 (iv) The limited stop service shall be terminated when:

23 (A) The department verifies the violation necessitating the
24 limited stop service has been corrected or the department determines
25 that the hospital has taken intermediate action to address the
26 immediate jeopardy; and

27 (B) The hospital establishes the ability to maintain correction
28 of the violation previously found deficient.

29 (d) The department may suspend new admissions to the hospital by
30 imposing a stop placement. This may only be done if the department
31 finds that noncompliance results in immediate jeopardy and is not
32 confined to a specific category or categories of patients or a
33 specific area of the hospital.

34 (i) Prior to imposing a stop placement, the department shall
35 provide a hospital written notification upon identifying deficient
36 practices or conditions that constitute an immediate jeopardy, and
37 upon the review and approval of the notification by the secretary or
38 the secretary's designee. The hospital shall have 24 hours from
39 notification to develop and implement a department-approved plan to
40 correct the deficient practices or conditions that constitute an

1 immediate jeopardy. If the deficient practice or conditions that
2 constitute immediate jeopardy are not verified by the department as
3 having been corrected within the same 24 hour period, the department
4 may issue the stop placement.

5 (ii) When the department imposes a stop placement, the hospital
6 may not admit any new patients until the stop placement order is
7 terminated.

8 (iii) The department shall conduct a follow-up inspection within
9 five business days or within the time period requested by the
10 hospital if more than five business days is needed to verify the
11 violation necessitating the stop placement has been corrected.

12 (iv) The stop placement order shall be terminated when:

13 (A) The department verifies the violation necessitating the stop
14 placement has been corrected or the department determines that the
15 hospital has taken intermediate action to address the immediate
16 jeopardy; and

17 (B) The hospital establishes the ability to maintain correction
18 of the violation previously found deficient.

19 (e) The department may deny an application for a license or
20 suspend, revoke, or refuse to renew a license.

21 (2) The department shall adopt in rules under this chapter a fee
22 methodology that includes funding expenditures to implement
23 subsection (1) of this section. The fee methodology must consider:

24 (a) The operational size of the hospital; and

25 (b) The number of licensed beds of the hospital.

26 (3) (a) Except as otherwise provided, RCW 43.70.115 governs notice
27 of ((a license denial, revocation, suspension, or modification))
28 actions taken by the department under subsection (1) of this section
29 and provides the right to an adjudicative proceeding. Adjudicative
30 proceedings and hearings under this section are governed by the
31 administrative procedure act, chapter 34.05 RCW. The application for
32 an adjudicative proceeding must be in writing, state the basis for
33 contesting the adverse action, including a copy of the department's
34 notice, be served on and received by the department within 28 days of
35 the licensee's receipt of the adverse notice, and be served in a
36 manner that shows proof of receipt.

37 (b) When the department determines a licensee's noncompliance
38 results in immediate jeopardy, the department may make the imposition
39 of conditions on a licensee, a limited stop placement, stop
40 placement, or the suspension of a license effective immediately upon

1 receipt of the notice by the licensee, pending any adjudicative
2 proceeding.

3 (i) When the department makes the suspension of a license or
4 imposition of conditions on a license effective immediately, a
5 licensee is entitled to a show cause hearing before a presiding
6 officer within 14 days of making the request. The licensee must
7 request the show cause hearing within 28 days of receipt of the
8 notice of immediate suspension or immediate imposition of conditions.
9 At the show cause hearing the department has the burden of
10 demonstrating that more probably than not there is an immediate
11 jeopardy.

12 (ii) At the show cause hearing, the presiding officer may
13 consider the notice and documents supporting the immediate suspension
14 or immediate imposition of conditions and the licensee's response and
15 must provide the parties with an opportunity to provide documentary
16 evidence and written testimony, and to be represented by counsel.
17 Prior to the show cause hearing, the department must provide the
18 licensee with all documentation that supports the department's
19 immediate suspension or imposition of conditions.

20 (iii) If the presiding officer determines there is no immediate
21 jeopardy, the presiding officer may overturn the immediate suspension
22 or immediate imposition of conditions.

23 (iv) If the presiding officer determines there is immediate
24 jeopardy, the immediate suspension or immediate imposition of
25 conditions shall remain in effect pending a full hearing.

26 (v) If the presiding officer sustains the immediate suspension or
27 immediate imposition of conditions, the licensee may request an
28 expedited full hearing on the merits of the department's action. A
29 full hearing must be provided within 90 days of the licensee's
30 request.

Passed by the House February 25, 2021.

Passed by the Senate April 6, 2021.

Approved by the Governor April 16, 2021.

Filed in Office of Secretary of State April 16, 2021.

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