

FINAL BILL REPORT

SSB 5569

C 48 L 23
Synopsis as Enacted

Brief Description: Creating exemptions from certificate of need requirements for kidney disease centers.

Sponsors: Senate Committee on Health & Long Term Care (originally sponsored by Senators Rivers and Dozier).

Senate Committee on Health & Long Term Care
House Committee on Health Care & Wellness

Background: The certificate of need process evaluates proposals by certain health care providers to expand health care activities and reviews the potential impact of the expansion on a community's need for the service. A certificate of need from the Department of Health (DOH) is required prior to:

- the construction, renovation, or sale of a health care facility;
- changes in bed capacity; and
- an increase in the number of dialysis stations at a kidney disease center, or the addition of specialized health services.

DOH reviews a project under specific criteria related to community need, quality of services, financial feasibility, and the impact on health care costs in the community. A facility or service subject to the certificate of need program must be approved prior to beginning operations. DOH grants certificate of need exemptions based on health care facility, services offered, capacity, and other special circumstances.

A kidney disease center is defined under the certificate of need program as any place for providing services to persons who have end-stage renal disease. There are no state licensing requirements for kidney disease centers, other than to obtain a certificate of need for the establishment of a new kidney disease center, relocation of an existing kidney disease center, or increase the number of stations at a kidney disease center.

On March 23, 2020, Governor Inslee signed Proclamation 20-36 relating to the COVID-19

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public health emergency. Proclamation 20-36 waived and suspended the certificate of need requirements for health care facilities. These waivers and suspensions applied to temporary increases in bed capacity and projects undertaken to provide surge capacity for the COVID-19 response. Proclamation 20-36 was rescinded October 27, 2022.

Summary: A kidney disease center may be granted an exemption to exceed its authorized number of dialysis stations during a temporary emergency situation. A temporary emergency situation includes:

- natural disasters, such as earthquakes, floods, fires, or snowstorms that limit or restrict access to one or more kidney disease centers thereby creating a need for additional capacity at other centers;
- power outages or water system shutdowns;
- mold remediations or other physical plant issues that would put patient safety at risk;
- staffing shortages that require kidney disease center reconfiguration to facilitate delivery of dialysis services as long as the facility does not exceed the number of patients served at the time of the exemption request; and
- any additional temporary emergency situation included by DOH in rule.

If granted, a staffing shortage certificate of need exemption is valid for 90 days and may be extended at 90-day increments at DOH's discretion.

A kidney dialysis center must make a written request to DOH for an exemption that must include the following information:

- a brief description of the circumstances requiring the exemption;
- the number of additional dialysis stations required to meet patient needs;
- the expected duration that the additional stations will be required to address patient needs, except for staffing shortage situations; and
- an acknowledgment that patient safety, health, or well-being are not being threatened; fire and life safety regulations, infection control standards, or other applicable codes and regulations will not be reduced; and structural integrity of the building will not be impaired.

An approval of an exemption does not authorize a kidney disease center to permanently increase the number of dialysis stations. If a kidney disease center seeks a permanent increase in approved stations, a certificate of need review and approval is required. DOH may adopt rules necessary to implement this exemption process.

Votes on Final Passage:

Senate	49	0
House	98	0

Effective: July 23, 2023