HOUSE BILL REPORT
SSB 5923

As Passed House:
March 4, 2026

Title: An act relating to critical access hospital designations in Skagit county.

Brief Description: Concerning critical access hospital designations in Skagit county.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Muzzall, Lovelett, Nobles and Shewmake).

Brief History:
Committee Activity:
Appropriations: 2/26/26, 2/27/26 [DP].
Floor Activity:
Passed House: 3/4/26, 96-0.

Brief Summary of Substitute Bill

- Allows a hospital on an island in Skagit County upon certification by the Centers for Medicare and Medicaid Services to be eligible for payment as a critical access hospital.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 30 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Berg, Bergquist, Burnett, Callan, Corry, Cortes, Doglio, Dye, Fitzgibbon, Keaton, Leavitt, Lekanoff, Manjarrez, Marshall, Peterson, Pollet, Rude, Ryu, Springer, Stonier, Street, Thai and Valdez.

Staff: Meghan Morris (786-7119).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

There are 39 hospitals in Washington that are certified as critical access hospitals by the Centers for Medicare and Medicaid Services (CMS). These are hospitals with 25 beds or less that are generally located in rural areas. They must deliver continuous emergency department services, and they may not have an average length of stay of more than 96 hours per patient. The Critical Access Hospital program allows hospitals under Washington's medical assistance programs to receive payment for hospital services based on allowable costs and to have more flexibility in staffing.

Summary of Bill:

A hospital located on an island in Skagit County, upon certification by CMS, is eligible for payment as a critical access hospital.

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) Island Health is a public, rural, independent hospital district located on Hidalgo Island, serving 45,000 patients. Island Health delivers roughly 400 babies each year. Seventy-five percent of patients are covered by a government payer, meaning Medicare, Medicaid, or Tricare. These government payers have not kept up with the cost to provide care. All the good work Island Health accomplishes for the community is at risk without sustainable reimbursement achieved through obtaining critical access hospital status. Last year, Island Health was one of nine hospitals in Washington with a five-star rating from the Centers for Medicare and Medicaid Services, only 6 percent of hospitals in the country have this rating.

(Opposed) None.

Persons Testifying: Elise Cutter, Island Health; Jason Hogge, Island Health; and Daryl Hicks, Island Health Foundation.

Persons Signed In To Testify But Not Testifying: None.