
HOUSE BILL 1567

State of Washington

69th Legislature

2025 Regular Session

By Representatives Stonier, Fosse, Salahuddin, Macri, Mena, Berry, Obras, Taylor, Reed, Stearns, Nance, Gregerson, Ortiz-Self, Hill, Scott, Farivar, Peterson, Ryu, Parshley, Cortes, Simmons, Ormsby, Doglio, and Pollet

Read first time 01/24/25. Referred to Committee on Health Care & Wellness.

1 AN ACT Relating to licensure of health care administrators;
2 reenacting and amending RCW 18.130.040; and adding a new chapter to
3 Title 18 RCW.

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

5 NEW SECTION. **Sec. 1.** The definitions in this section apply
6 throughout this chapter unless the context clearly requires
7 otherwise.

8 (1) "Department" means the department of health.

9 (2) "Health care administrator" means a person employed by a
10 hospital who is a:

11 (a) Nonclinical hospital manager with direct supervisory
12 authority over clinical health care providers who is responsible for
13 one or more of the following activities:

14 (i) Hiring, scheduling, evaluating, and providing direct
15 supervision of clinical health care providers;

16 (ii) Monitoring activities for compliance with state or federal
17 regulatory requirements; or

18 (iii) Developing fiscal reports for clinical units or the
19 hospital as a whole; or

20 (b) Nonclinical hospital director, officer, or executive who does
21 not have direct supervisory authority over health care providers, but

1 has direct or indirect supervisory authority for nonclinical hospital
2 managers described in (a) of this subsection, for one or more of the
3 following activities:

4 (i) Hiring and supervising those nonclinical hospital managers in
5 (a) of this subsection;

6 (ii) Providing oversight of operations for the hospital or any of
7 its departments;

8 (iii) Developing policies and procedures establishing the
9 standards of patient care;

10 (iv) Providing oversight of budgetary and financial decisions
11 related to operations and the delivery of patient care for the
12 hospital or any of its departments; and

13 (v) Ensuring that hospital policies comply with state and federal
14 regulatory requirements.

15 (3) "Hospital" means a hospital licensed under chapter 70.41 RCW
16 or a psychiatric hospital licensed under chapter 71.12 RCW.

17 (4) "Secretary" means the secretary of the department.

18 NEW SECTION. **Sec. 2.** In addition to any other authority, the
19 secretary has the authority to:

20 (1) Adopt rules under chapter 34.05 RCW necessary to implement
21 this chapter;

22 (2) Establish all initial licensing and renewal fees for health
23 care administrators in accordance with RCW 43.70.110 and 43.70.250;

24 (3) Establish forms and procedures necessary to administer this
25 chapter;

26 (4) Issue licenses to applicants who have met the requirements
27 for obtaining an initial license or renewal license, as established
28 under section 5 or 6 of this act, and to deny a license to applicants
29 who do not meet the requirements;

30 (5) Establish and administer requirements for continuing
31 education necessary for renewal of a license;

32 (6) Establish practice parameters consistent with the definition
33 of the health care administration activities;

34 (7) Prepare, grade, and administer, or supervise the grading and
35 administration of written examinations for obtaining a license;

36 (8) Conduct audits of hospitals for the purpose of determining
37 the compliance of licensed health care administrators with this
38 chapter; and

39 (9) Adopt rules implementing continuing education requirements.

1 NEW SECTION. **Sec. 3.** Beginning January 1, 2027, any person who
2 is employed as a health care administrator at a hospital in
3 Washington must be licensed as a health care administrator under this
4 chapter. The licensing requirement only applies to health care
5 administrators employed by a hospital in Washington.

6 NEW SECTION. **Sec. 4.** Nothing in this chapter shall be construed
7 to require a health care administrator employed by the United States
8 armed services or any other branch of the federal government to
9 obtain a license under this chapter.

10 NEW SECTION. **Sec. 5.** The secretary shall issue an initial
11 health care administrator license to any applicant who demonstrates
12 to the satisfaction of the secretary that the applicant meets the
13 following requirements:

14 (1) Successful completion of an approved examination that
15 addresses the topics identified in section 7 of this act;

16 (2) Completion of an application form with necessary information
17 to allow for appropriate licensing of the applicant, including
18 information about the applicant's employer and the types of health
19 care administration activities that the applicant performs and
20 requires licensure;

21 (3) Payment of the appropriate fee determined by the secretary
22 under RCW 43.70.250; and

23 (4) Completion of other requirements established by the
24 secretary.

25 NEW SECTION. **Sec. 6.** A health care administrator license must
26 be renewed annually. The secretary shall establish, by rule, the
27 requirements and fees for renewal of a license, including proof of
28 the successful completion of approved continuing education, as
29 established by the secretary.

30 NEW SECTION. **Sec. 7.** (1) The secretary shall develop and
31 administer examinations to demonstrate the applicant's knowledge of
32 relevant health care laws and regulatory standards, patient safety
33 protocols, and health-related ethical guidelines. The department may
34 approve the use of the examinations that it has developed or approve
35 an examination developed and administered by a private organization.

1 (2) The date and location of examinations must be established by
2 the secretary. Applicants who have been found by the secretary to
3 meet the other requirements for obtaining a license must be scheduled
4 for the next examination following the filing of the application. The
5 secretary shall establish by rule the examination application
6 deadline.

7 (3) The secretary or the secretary's designees shall examine each
8 applicant, by means determined most effective, on subjects
9 appropriate to the scope of practice, as applicable. The examinations
10 must be limited to the purpose of determining whether the applicant
11 possesses the minimum skill and knowledge necessary to practice
12 competently.

13 (4) The examination papers, all grading of the papers, and the
14 grading of any practical work shall be preserved for a period of not
15 less than one year after the secretary has made and published the
16 decisions. All examinations must be conducted under fair and wholly
17 impartial methods.

18 (5) Any applicant failing to make the required grade in the first
19 examination may take up to three subsequent examinations as the
20 applicant desires upon prepaying a fee determined by the secretary
21 under RCW 43.70.250 for each subsequent examination. Upon failing
22 four examinations, the secretary may invalidate the original
23 application and require remedial education before the person may take
24 future examinations.

25 NEW SECTION. **Sec. 8.** (1) The uniform disciplinary act, chapter
26 18.130 RCW, governs the unlicensed practice as a health care
27 administrator, the issuance and denial of licenses, and the
28 discipline of health care administrators under this chapter.

29 (2) In addition to those acts described in RCW 18.130.180, the
30 term "unprofessional conduct," as applied to health care
31 administrators, includes:

32 (a) Fiscal or operational decisions which result in injury to a
33 patient or create an unreasonable risk that a patient may be harmed;

34 (b) A violation by a licensed health care provider of a state or
35 federal statute or administrative rule regulating a profession, as
36 provided in RCW 18.130.180(7), when the licensed health care
37 administrator was responsible for the oversight of the licensed
38 health care provider;

1 (c) Aiding or abetting a licensed health care provider to
2 practice their health care profession after a patient complaint or
3 adverse event has been reported to the hospital employing the
4 licensed health care administrator, the department, or the
5 appropriate disciplining authority, while the complaint or adverse
6 event is being investigated, and if harm, disability, or death of a
7 patient occurred after the complaint or report of the adverse event;

8 (d) Failure to adequately supervise licensed clinical staff and
9 nonclinical staff to the extent that a consumer's health or safety is
10 at risk;

11 (e) Any administrative, operational, or fiscal decision that
12 impedes a clinical licensed health care provider from adhering to
13 standards of practice or leads to patient harm, disability, or death;
14 and

15 (f) Fiscal or operational decisions resulting in the inability of
16 clinical licensed health care providers to practice with reasonable
17 skill and safety, regardless of the occurrence of patient harm,
18 disability, or death.

19 (3) When issuing sanctions under RCW 18.130.160, the disciplining
20 authority shall give consideration to the extent to which the
21 licensed health care administrator who is the subject of the
22 disciplinary matter had the ability to exercise control within the
23 hospital's operational structure regulating the policies and
24 financial decisions that resulted in the act of unprofessional
25 conduct. As appropriate, the disciplining authority may consider it
26 to be a mitigating factor if a licensed health care administrator had
27 limited authority or discretion to act regarding hospital policies
28 and financial decisions.

29 **Sec. 9.** RCW 18.130.040 and 2024 c 362 s 8, 2024 c 217 s 7, and
30 2024 c 50 s 5 are each reenacted and amended to read as follows:

31 (1) This chapter applies only to the secretary and the boards and
32 commissions having jurisdiction in relation to the professions
33 licensed under the chapters specified in this section. This chapter
34 does not apply to any business or profession not licensed under the
35 chapters specified in this section.

36 (2) (a) The secretary has authority under this chapter in relation
37 to the following professions:

38 (i) Dispensing opticians licensed and designated apprentices
39 under chapter 18.34 RCW;

- 1 (ii) Midwives licensed under chapter 18.50 RCW;
- 2 (iii) Ocularists licensed under chapter 18.55 RCW;
- 3 (iv) Massage therapists and businesses licensed under chapter
4 18.108 RCW;
- 5 (v) Dental hygienists licensed under chapter 18.29 RCW;
- 6 (vi) Acupuncturists or acupuncture and Eastern medicine
7 practitioners licensed under chapter 18.06 RCW;
- 8 (vii) Radiologic technologists certified and X-ray technicians
9 registered under chapter 18.84 RCW;
- 10 (viii) Respiratory care practitioners licensed under chapter
11 18.89 RCW;
- 12 (ix) Hypnotherapists registered, agency affiliated counselors
13 registered, certified, or licensed, and advisors and counselors
14 certified under chapter 18.19 RCW;
- 15 (x) Persons licensed as mental health counselors, mental health
16 counselor associates, marriage and family therapists, marriage and
17 family therapist associates, social workers, social work associates—
18 advanced, and social work associates—independent clinical under
19 chapter 18.225 RCW;
- 20 (xi) Persons registered as nursing pool operators under chapter
21 18.52C RCW;
- 22 (xii) Nursing assistants registered or certified or medication
23 assistants endorsed under chapter 18.88A RCW;
- 24 (xiii) Dietitians and nutritionists certified under chapter
25 18.138 RCW;
- 26 (xiv) Substance use disorder professionals, substance use
27 disorder professional trainees, or co-occurring disorder specialists
28 certified under chapter 18.205 RCW;
- 29 (xv) Sex offender treatment providers and certified affiliate sex
30 offender treatment providers certified under chapter 18.155 RCW;
- 31 (xvi) Persons licensed and certified under chapter 18.73 RCW or
32 RCW 18.71.205;
- 33 (xvii) Orthotists and prosthetists licensed under chapter 18.200
34 RCW;
- 35 (xviii) Surgical technologists registered under chapter 18.215
36 RCW;
- 37 (xix) Recreational therapists under chapter 18.230 RCW;
- 38 (xx) Animal massage therapists certified under chapter 18.240
39 RCW;
- 40 (xxi) Athletic trainers licensed under chapter 18.250 RCW;

1 (xxii) Home care aides certified under chapter 18.88B RCW;
2 (xxiii) Genetic counselors licensed under chapter 18.290 RCW;
3 (xxiv) Reflexologists certified under chapter 18.108 RCW;
4 (xxv) Medical assistants-certified, medical assistants-
5 hemodialysis technician, medical assistants-phlebotomist, forensic
6 phlebotomist, medical assistant-EMT, and medical assistants-
7 registered certified and registered under chapter 18.360 RCW;
8 (xxvi) Behavior analysts, assistant behavior analysts, and
9 behavior technicians under chapter 18.380 RCW;
10 (xxvii) Birth doulas certified under chapter 18.47 RCW;
11 (xxviii) Music therapists licensed under chapter 18.233 RCW;
12 (xxix) Behavioral health support specialists certified under
13 chapter 18.227 RCW; (~~and~~)
14 (xxx) Certified peer specialists and certified peer specialist
15 trainees under chapter 18.420 RCW; and
16 (xxxi) Licensed health care administrators under chapter 18.---
17 RCW (the new chapter created in section 10 of this act).
18 (b) The boards and commissions having authority under this
19 chapter are as follows:
20 (i) The podiatric medical board as established in chapter 18.22
21 RCW;
22 (ii) The chiropractic quality assurance commission as established
23 in chapter 18.25 RCW;
24 (iii) The dental quality assurance commission as established in
25 chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW,
26 licenses and registrations issued under chapter 18.260 RCW, licenses
27 issued under chapter 18.265 RCW, and certifications issued under
28 chapter 18.350 RCW;
29 (iv) The board of hearing and speech as established in chapter
30 18.35 RCW;
31 (v) The board of examiners for nursing home administrators as
32 established in chapter 18.52 RCW;
33 (vi) The optometry board as established in chapter 18.54 RCW
34 governing licenses issued under chapter 18.53 RCW;
35 (vii) The board of osteopathic medicine and surgery as
36 established in chapter 18.57 RCW governing licenses issued under
37 chapter 18.57 RCW;
38 (viii) The pharmacy quality assurance commission as established
39 in chapter 18.64 RCW governing licenses issued under chapters 18.64
40 and 18.64A RCW;

1 (ix) The Washington medical commission as established in chapter
2 18.71 RCW governing licenses and registrations issued under chapters
3 18.71, 18.71A, and 18.71D RCW;

4 (x) The board of physical therapy as established in chapter 18.74
5 RCW;

6 (xi) The board of occupational therapy practice as established in
7 chapter 18.59 RCW;

8 (xii) The board of nursing as established in chapter 18.79 RCW
9 governing licenses and registrations issued under that chapter and
10 under chapter 18.80 RCW;

11 (xiii) The examining board of psychology and its disciplinary
12 committee as established in chapter 18.83 RCW;

13 (xiv) The veterinary board of governors as established in chapter
14 18.92 RCW;

15 (xv) The board of naturopathy established in chapter 18.36A RCW,
16 governing licenses and certifications issued under that chapter; and

17 (xvi) The board of denturists established in chapter 18.30 RCW.

18 (3) In addition to the authority to discipline license holders,
19 the disciplining authority has the authority to grant or deny
20 licenses. The disciplining authority may also grant a license subject
21 to conditions, which must be in compliance with chapter 18.415 RCW.

22 (4) All disciplining authorities shall adopt procedures to ensure
23 substantially consistent application of this chapter, the uniform
24 disciplinary act, among the disciplining authorities listed in
25 subsection (2) of this section.

26 NEW SECTION. **Sec. 10.** Sections 1 through 8 of this act
27 constitute a new chapter in Title 18 RCW.

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