

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 5579**

69th Legislature  
2025 Regular Session

Passed by the Senate April 21, 2025  
Yeas 47 Nays 1

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**President of the Senate**

Passed by the House April 10, 2025  
Yeas 95 Nays 0

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**Speaker of the House of  
Representatives**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5579** as passed by the Senate and the House of Representatives on the dates hereon set forth.

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**Secretary**

FILED

**Secretary of State  
State of Washington**

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**SUBSTITUTE SENATE BILL 5579**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2025 Regular Session

**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senate Health & Long-Term Care (originally sponsored by Senators Cleveland, Muzzall, and Valdez)

READ FIRST TIME 02/21/25.

1       AN ACT Relating to prohibiting health carriers, facilities, and  
2 providers from making any public statements of any potential or  
3 planned contract terminations unless it satisfies a legal obligation;  
4 amending RCW 18.130.180, 70.41.510, 70.42.162, 70.230.210, 18.46.050,  
5 70.127.170, 71.24.910, and 71.12.710; reenacting and amending RCW  
6 41.05.017; adding a new section to chapter 48.43 RCW; and creating a  
7 new section.

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

9       NEW SECTION.       **Sec. 1.**       The legislature finds that public  
10 communications and notices to health plan members by carriers, health  
11 care providers, or health care facilities during contract  
12 negotiations have created concerns for enrollees, patients, and  
13 affected communities. Therefore, the legislature intends to provide  
14 consistent policies for communication with enrollees and affected  
15 communities regarding potential contract terminations.

16       NEW SECTION.       **Sec. 2.**       A new section is added to chapter 48.43  
17 RCW to read as follows:

18       (1) In the case of a provider contract that is expiring by its  
19 own terms or for which one party has given notice to the other party  
20 of an intended termination without cause in accordance with the terms

1 of the provider contract, neither the health care provider, the  
2 health care facility, any health care provider employed by,  
3 contracted with, or otherwise affiliated with the facility, nor the  
4 carrier may make or cause to be made public statements, including by  
5 directly communicating with impacted health plan enrollees and  
6 patients, regarding such expiration or termination until 45 days  
7 prior to the termination date, unless: (a) The disclosure is required  
8 to satisfy a specific legal obligation; or (b) the expiration or  
9 termination has already been disclosed publicly because of a legal  
10 obligation. Communications exclusively with the governor,  
11 legislators, or state agency staff regarding a potential or intended  
12 contract termination do not constitute a public statement.

13 (2) Nothing in this section requires a carrier, health care  
14 facility, or health care provider to provide notice of a potential  
15 termination to enrollees, unless required to do so as a regulatory or  
16 legal requirement.

17 (3) Public statements or communication with health plan enrollees  
18 or patients by a carrier, health care facility, or health care  
19 provider may not occur prior to the date the carrier, health care  
20 facility, or health care provider has given written notice of the  
21 termination to the other party, unless agreed upon by both parties.

22 (4)(a) By December 1, 2025, the commissioner, in consultation  
23 with health carriers, health care providers, health care facilities,  
24 and consumers, must develop standard template language for notices  
25 sent to health plan enrollees and patients by health carriers, health  
26 care providers, or health care facilities pursuant to this section.  
27 The standard template language must be posted on the commissioner's  
28 website.

29 (b) Notices developed pursuant to this section must include, at a  
30 minimum:

31 (i) A reference to the specific facility or facilities by name  
32 that would be affected by the potential contract termination or  
33 expiration and an indication of whether the potential termination or  
34 expiration would apply to hospital-based providers;

35 (ii) Direction to enrollees related to appointments that are  
36 scheduled past the date of the potential contract termination or  
37 expiration date; and

38 (iii) Information concerning the enrollee's continuity of care  
39 rights pursuant to the federal no surprises act, 42 U.S.C. Sec.  
40 300gg-111.

1 (c) Notices sent to enrollees or patients that solely utilize the  
2 template language developed pursuant to this section are not subject  
3 to review or approval. Notices to enrollees or patients that do not  
4 utilize the template language in full, or add to or revise the  
5 language of the template developed pursuant to this section, must be  
6 reviewed and approved by the commissioner before being used in any  
7 manner.

8 (5) By January 1, 2027, the requirements of this section must be  
9 included in all provider contracts. The commissioner must develop  
10 template language for inclusion in provider contracts by rule.

11 (6)(a) The commissioner is authorized to enforce the provisions  
12 of this act related to carriers on or after January 1, 2026. In  
13 addition to the enforcement actions authorized under RCW 48.02.080,  
14 the commissioner may impose a civil monetary penalty in an amount not  
15 to exceed \$100 for each day that a notice has been sent to enrollees  
16 in advance of the 45-day period established in subsection (1) of this  
17 section for each enrollee to whom the notice has been sent.

18 (b) If the commissioner has cause to believe that any health care  
19 provider or health care facility has violated this section, the  
20 commissioner may submit information to the department of health,  
21 another appropriate health care facility licensing entity, or the  
22 appropriate health profession disciplining authority for action. The  
23 commissioner may provide the health care provider or health care  
24 facility with an opportunity to explain why the actions in question  
25 did not violate this section.

26 (c) If any health care provider or health care facility violates  
27 this section, the department of health, other appropriate health care  
28 facility licensing entity, or the appropriate health profession  
29 disciplining authority may levy a fine or cost recovery upon the  
30 health care provider or health care facility in an amount not to  
31 exceed the applicable statutory amount per violation and take other  
32 action as permitted under the authority of the department of health  
33 or disciplining authority. Upon completion of its review of any  
34 potential violation submitted by the commissioner, the department of  
35 health or the disciplining authority shall notify the commissioner of  
36 the results of the review, including whether the violation was  
37 substantiated and any enforcement action taken as a result of a  
38 finding of a substantiated violation.

39 (7) For the purposes of this section, "provider contract" means a  
40 written contract between a carrier and a health care provider or

1 health care facility, as they are defined in RCW 48.43.005, for any  
2 health care services rendered to an enrollee.

3 (8) This section does not apply to a provider contract that is  
4 expiring or being terminated by an independent individual provider or  
5 an independent single-specialty or multispecialty group practice of  
6 five or fewer providers, whether due to a provider's retirement or  
7 some other reason. For purposes of this subsection, "independent"  
8 means a provider that is not employed by or affiliated with a  
9 hospital or multihospital health system.

10 **Sec. 3.** RCW 41.05.017 and 2024 c 251 s 5 and 2024 c 242 s 10 are  
11 each reenacted and amended to read as follows:

12 Each health plan that provides medical insurance offered under  
13 this chapter, including plans created by insuring entities, plans not  
14 subject to the provisions of Title 48 RCW, and plans created under  
15 RCW 41.05.140, are subject to the provisions of RCW 48.43.500,  
16 70.02.045, 48.43.505 through 48.43.535, 48.43.537, 48.43.545,  
17 48.43.550, 70.02.110, 70.02.900, 48.43.190, 48.43.083, 48.43.0128,  
18 48.43.780, 48.43.435, 48.43.815, 48.200.020 through 48.200.280,  
19 48.200.300 through 48.200.320, 48.43.440, section 2 of this act, and  
20 chapter 48.49 RCW.

21 **Sec. 4.** RCW 18.130.180 and 2024 c 220 s 2 are each amended to  
22 read as follows:

23 Except as provided in RCW 18.130.450, the following conduct,  
24 acts, or conditions constitute unprofessional conduct for any license  
25 holder under the jurisdiction of this chapter:

26 (1) The commission of any act involving moral turpitude,  
27 dishonesty, or corruption relating to the practice of the person's  
28 profession, whether the act constitutes a crime or not. If the act  
29 constitutes a crime, conviction in a criminal proceeding is not a  
30 condition precedent to disciplinary action. Upon such a conviction,  
31 however, the judgment and sentence is conclusive evidence at the  
32 ensuing disciplinary hearing of the guilt of the license holder of  
33 the crime described in the indictment or information, and of the  
34 person's violation of the statute on which it is based. For the  
35 purposes of this section, conviction includes all instances in which  
36 a plea of guilty or nolo contendere is the basis for the conviction  
37 and all proceedings in which the sentence has been deferred or

1 suspended. Nothing in this section abrogates rights guaranteed under  
2 chapter 9.96A RCW;

3 (2) Misrepresentation or concealment of a material fact in  
4 obtaining a license or in reinstatement thereof;

5 (3) All advertising which is false, fraudulent, or misleading;

6 (4) Incompetence, negligence, or malpractice which results in  
7 injury to a patient or which creates an unreasonable risk that a  
8 patient may be harmed. The use of a nontraditional treatment by  
9 itself shall not constitute unprofessional conduct, provided that it  
10 does not result in injury to a patient or create an unreasonable risk  
11 that a patient may be harmed;

12 (5) Suspension, revocation, or restriction of the individual's  
13 license to practice any health care profession by competent authority  
14 in any state, federal, or foreign jurisdiction, a certified copy of  
15 the order, stipulation, or agreement being conclusive evidence of the  
16 revocation, suspension, or restriction;

17 (6) The possession, use, prescription for use, or distribution of  
18 controlled substances or legend drugs in any way other than for  
19 legitimate or therapeutic purposes, diversion of controlled  
20 substances or legend drugs, the violation of any drug law, or  
21 prescribing controlled substances for oneself;

22 (7) Violation of any state or federal statute or administrative  
23 rule regulating the profession in question, including any statute or  
24 rule defining or establishing standards of patient care or  
25 professional conduct or practice;

26 (8) Failure to cooperate with the disciplining authority by:

27 (a) Not furnishing any papers, documents, records, or other  
28 items;

29 (b) Not furnishing in writing a full and complete explanation  
30 covering the matter contained in the complaint filed with the  
31 disciplining authority;

32 (c) Not responding to subpoenas issued by the disciplining  
33 authority, whether or not the recipient of the subpoena is the  
34 accused in the proceeding; or

35 (d) Not providing reasonable and timely access for authorized  
36 representatives of the disciplining authority seeking to perform  
37 practice reviews at facilities utilized by the license holder;

38 (9) Failure to comply with an order issued by the disciplining  
39 authority or a stipulation for informal disposition entered into with  
40 the disciplining authority;

1       (10) Aiding or abetting an unlicensed person to practice when a  
2 license is required;

3       (11) Violations of rules established by any health agency;

4       (12) Practice beyond the scope of practice as defined by law or  
5 rule;

6       (13) Misrepresentation or fraud in any aspect of the conduct of  
7 the business or profession;

8       (14) Failure to adequately supervise auxiliary staff to the  
9 extent that the consumer's health or safety is at risk;

10       (15) Engaging in a profession involving contact with the public  
11 while suffering from a contagious or infectious disease involving  
12 serious risk to public health;

13       (16) Promotion for personal gain of any unnecessary or  
14 inefficacious drug, device, treatment, procedure, or service;

15       (17) Conviction of any gross misdemeanor or felony relating to  
16 the practice of the person's profession. For the purposes of this  
17 subsection, conviction includes all instances in which a plea of  
18 guilty or nolo contendere is the basis for conviction and all  
19 proceedings in which the sentence has been deferred or suspended.  
20 Nothing in this section abrogates rights guaranteed under chapter  
21 9.96A RCW;

22       (18) The offering, undertaking, or agreeing to cure or treat  
23 disease by a secret method, procedure, treatment, or medicine, or the  
24 treating, operating, or prescribing for any health condition by a  
25 method, means, or procedure which the licensee refuses to divulge  
26 upon demand of the disciplining authority;

27       (19) The willful betrayal of a practitioner-patient privilege as  
28 recognized by law;

29       (20) Violation of chapter 19.68 RCW or a pattern of violations of  
30 RCW 41.05.700(8), 48.43.735(8), 48.49.020, 48.49.030, 71.24.335(8),  
31 or 74.09.325(8);

32       (21) Interference with an investigation or disciplinary  
33 proceeding by willful misrepresentation of facts before the  
34 disciplining authority or its authorized representative, or by the  
35 use of threats or harassment against any patient or witness to  
36 prevent them from providing evidence in a disciplinary proceeding or  
37 any other legal action, or by the use of financial inducements to any  
38 patient or witness to prevent or attempt to prevent him or her from  
39 providing evidence in a disciplinary proceeding;

40       (22) Current misuse of:

1 (a) Alcohol;  
2 (b) Controlled substances; or  
3 (c) Legend drugs;  
4 (23) Abuse of a client or patient or sexual contact with a client  
5 or patient;  
6 (24) Acceptance of more than a nominal gratuity, hospitality, or  
7 subsidy offered by a representative or vendor of medical or health-  
8 related products or services intended for patients, in contemplation  
9 of a sale or for use in research publishable in professional  
10 journals, where a conflict of interest is presented, as defined by  
11 rules of the disciplining authority, in consultation with the  
12 department, based on recognized professional ethical standards;  
13 (25) Violation of RCW 18.130.420;  
14 (26) Performing conversion therapy on a patient under age  
15 eighteen;  
16 (27) Violation of RCW 18.130.430;  
17 (28) Violation of RCW 18.130.460; ~~((or))~~  
18 (29) Violation of section 2 of this act; or  
19 (30) Implanting the license holder's own gametes or reproductive  
20 material into a patient.

21 **Sec. 5.** RCW 70.41.510 and 2019 c 427 s 18 are each amended to  
22 read as follows:

23 If the insurance commissioner reports to the department that he  
24 or she has cause to believe that a hospital has engaged in a pattern  
25 of violations of RCW 48.49.020 or 48.49.030 or has violated section 2  
26 of this act, and the report is substantiated after investigation, the  
27 department may levy a fine upon the hospital in an amount not to  
28 exceed one thousand dollars per violation and take other formal or  
29 informal disciplinary action as permitted under the authority of the  
30 department.

31 **Sec. 6.** RCW 70.42.162 and 2019 c 427 s 20 are each amended to  
32 read as follows:

33 If the insurance commissioner reports to the department that he  
34 or she has cause to believe that a medical ~~((testing-[test]))~~ test  
35 site has engaged in a pattern of violations of RCW 48.49.020 or  
36 48.49.030 or has violated section 2 of this act, and the report is  
37 substantiated after investigation, the department may levy a fine  
38 upon the medical ~~((testing-[test]))~~ test site in an amount not to



1 exceed one thousand dollars per violation and take other formal or  
2 informal disciplinary action as permitted under the authority of the  
3 department.

4       **Sec. 7.** RCW 70.230.210 and 2019 c 427 s 19 are each amended to  
5 read as follows:

6       If the insurance commissioner reports to the department that he  
7 or she has cause to believe that an ambulatory surgical facility has  
8 engaged in a pattern of violations of RCW 48.49.020 or 48.49.030 or  
9 has violated section 2 of this act, and the report is substantiated  
10 after investigation, the department may levy a fine upon the  
11 ambulatory surgical facility in an amount not to exceed one thousand  
12 dollars per violation and take other formal or informal disciplinary  
13 action as permitted under the authority of the department.

14       **Sec. 8.** RCW 18.46.050 and 2024 c 121 s 2 are each amended to  
15 read as follows:

16       (1) In any case in which the department finds that a birthing  
17 center has failed or refused to comply with the requirements of this  
18 chapter, the standards or rules adopted under this chapter, section 2  
19 of this act, or other applicable state or federal statutes or rules  
20 regulating birthing centers, the department may take one or more of  
21 the actions identified in this section, except as otherwise limited  
22 in this section.

23       (a) When the department determines the birthing center has  
24 previously been subject to an enforcement action for the same or  
25 similar type of violation of the same statute or rule, or has been  
26 given any previous statement of deficiency that included the same or  
27 similar type of violation of the same or similar statute or rule, or  
28 when the birthing center failed to correct noncompliance with a  
29 statute or rule by a date established or agreed to by the department,  
30 the department may impose reasonable conditions on a license.  
31 Conditions may include correction within a specified amount of time,  
32 training, or hiring a department-approved consultant if the birthing  
33 center cannot demonstrate to the department that it has access to  
34 sufficient internal expertise. If the department determines that the  
35 violations constitute immediate jeopardy, the conditions may be  
36 imposed immediately in accordance with subsection (2) of this  
37 section.

1 (b) In accordance with the authority the department has under RCW  
2 43.70.095, the department may assess a civil fine of up to \$3,000 per  
3 violation on a birthing center licensed under this chapter when the  
4 department determines the birthing center has previously been subject  
5 to an enforcement action for the same or similar type of violation of  
6 the same statute or rule, or has been given any previous statement of  
7 deficiency that included the same or similar type of violation of the  
8 same or similar statute or rule, or when the birthing center failed  
9 to correct noncompliance with a statute or rule by a date established  
10 or agreed to by the department.

11 (i) Proceeds from these fines may only be used by the department  
12 to offset costs associated with licensing and enforcement of birthing  
13 centers.

14 (ii) The department shall adopt in rules under this chapter  
15 specific fine amounts in relation to the severity of the  
16 noncompliance and at an adequate level to be a deterrent to future  
17 noncompliance.

18 (iii) If a birthing center is aggrieved by the department's  
19 action of assessing civil fines, the licensee has the right to appeal  
20 under RCW 43.70.095.

21 (c) The department may suspend a specific category or categories  
22 of services or care or birthing rooms within the birthing center as  
23 related to the violation by imposing a limited stop service. This may  
24 only be done if the department finds that noncompliance results in  
25 immediate jeopardy.

26 (i) Prior to imposing a limited stop service, the department  
27 shall provide a birthing center written notification upon identifying  
28 deficient practices or conditions that constitute an immediate  
29 jeopardy. The birthing center shall have 24 hours from notification  
30 to develop and implement a department-approved plan to correct the  
31 deficient practices or conditions that constitute an immediate  
32 jeopardy. If the deficient practices or conditions that constitute  
33 immediate jeopardy are not verified by the department as having been  
34 corrected within the same 24-hour period, the department may issue  
35 the limited stop service.

36 (ii) When the department imposes a limited stop service, the  
37 birthing center may not provide the services in the category or  
38 categories subject to the limited stop service to any new or existing  
39 patients, unless otherwise allowed by the department, until the  
40 limited stop service is terminated.

1 (iii) The department shall conduct a follow-up inspection within  
2 five business days or within the time period requested by the  
3 birthing center if more than five business days is needed to verify  
4 the violation necessitating the limited stop service has been  
5 corrected.

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

7 (A) The department verifies the violation necessitating the  
8 limited stop service has been corrected or the department determines  
9 that the birthing center has taken intermediate action to address the  
10 immediate jeopardy; and

11 (B) The birthing center establishes the ability to maintain  
12 correction of the violation previously found deficient.

13 (d) The department may suspend new admissions to the birthing  
14 center by imposing a stop placement. This may only be done if the  
15 department finds that noncompliance results in immediate jeopardy and  
16 is not confined to a specific category or categories of patients or a  
17 specific area of the birthing center.

18 (i) Prior to imposing a stop placement, the department shall  
19 provide a birthing center written notification upon identifying  
20 deficient practices or conditions that constitute an immediate  
21 jeopardy. The birthing center shall have 24 hours from notification  
22 to develop and implement a department-approved plan to correct the  
23 deficient practices or conditions that constitute an immediate  
24 jeopardy. If the deficient practices or conditions that constitute  
25 immediate jeopardy are not verified by the department as having been  
26 corrected within the same 24-hour period, the department may issue  
27 the stop placement.

28 (ii) When the department imposes a stop placement, the birthing  
29 center may not admit any new patients until the stop placement is  
30 terminated.

31 (iii) The department shall conduct a follow-up inspection within  
32 five business days or within the time period requested by the  
33 birthing center if more than five business days is needed to verify  
34 the violation necessitating the stop placement has been corrected.

35 (iv) The stop placement shall be terminated when:

36 (A) The department verifies the violation necessitating the stop  
37 placement has been corrected or the department determines that the  
38 birthing center has taken intermediate action to address the  
39 immediate jeopardy; and

1 (B) The birthing center establishes the ability to maintain  
2 correction of the violation previously found deficient.

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

5 (2) Except as otherwise provided, RCW 43.70.115 governs notice of  
6 actions taken by the department under subsection (1) of this section  
7 and provides the right to an adjudicative proceeding. Adjudicative  
8 proceedings and hearings under this section are governed by the  
9 administrative procedure act, chapter 34.05 RCW. The application for  
10 an adjudicative proceeding must be in writing, state the basis for  
11 contesting the adverse action, include a copy of the department's  
12 notice, be served on and received by the department within 28 days of  
13 the birthing center's receipt of the adverse notice, and be served in  
14 a manner that shows proof of receipt.

15 (3) When the department determines a licensee's noncompliance  
16 results in immediate jeopardy, the department may make the imposition  
17 of conditions on a licensee, a limited stop service, stop placement,  
18 or the suspension of a license effective immediately upon receipt of  
19 the notice by the licensee, pending any adjudicative proceeding.

20 (a) When the department makes the suspension of a license or  
21 imposition of conditions on a license effective immediately, a  
22 licensee is entitled to a show cause hearing before a presiding  
23 officer within 14 days of making the request. The licensee must  
24 request the show cause hearing within 28 days of receipt of the  
25 notice of immediate suspension or immediate imposition of conditions.  
26 At the show cause hearing the department has the burden of  
27 demonstrating that more probably than not there is an immediate  
28 jeopardy.

29 (b) At the show cause hearing, the presiding officer may consider  
30 the notice and documents supporting the immediate suspension or  
31 immediate imposition of conditions and the licensee's response and  
32 shall provide the parties with an opportunity to provide documentary  
33 evidence and written testimony, and to be represented by counsel.  
34 Prior to the show cause hearing, the department shall provide the  
35 licensee with all documentation that supports the department's  
36 immediate suspension or imposition of conditions.

37 (c) If the presiding officer determines there is no immediate  
38 jeopardy, the presiding officer may overturn the immediate suspension  
39 or immediate imposition of conditions.

1 (d) If the presiding officer determines there is immediate  
2 jeopardy, the immediate suspension or immediate imposition of  
3 conditions shall remain in effect pending a full hearing.

4 (e) If the presiding officer sustains the immediate suspension or  
5 immediate imposition of conditions, the licensee may request an  
6 expedited full hearing on the merits of the department's action. A  
7 full hearing must be provided within 90 days of the licensee's  
8 request.

9 (4) When the department determines an alleged violation, if true,  
10 would constitute an immediate jeopardy, and the licensee fails to  
11 cooperate with the department's investigation of such an alleged  
12 violation, the department may impose an immediate stop placement,  
13 immediate limited stop service, immediate imposition of conditions,  
14 or immediate suspension.

15 (a) When the department imposes an immediate stop placement,  
16 immediate limited stop service, immediate imposition of conditions,  
17 or immediate suspension for failure to cooperate, a licensee is  
18 entitled to a show cause hearing before a presiding officer within 14  
19 days of making the request. The licensee must request the show cause  
20 hearing within 28 days of receipt of the notice of an immediate stop  
21 placement, immediate limited stop service, immediate imposition of  
22 conditions, or immediate suspension for failure to cooperate. At the  
23 show cause hearing the department has the burden of demonstrating  
24 that more probably than not the alleged violation, if true, would  
25 constitute an immediate jeopardy and the licensee failed to cooperate  
26 with the department's investigation.

27 (b) At the show cause hearing, the presiding officer may consider  
28 the notice and documents supporting the immediate stop placement,  
29 immediate limited stop service, immediate imposition of conditions,  
30 or immediate suspension for failure to cooperate, and the licensee's  
31 response and shall provide the parties with an opportunity to provide  
32 documentary evidence and written testimony, and to be represented by  
33 counsel. Prior to the show cause hearing, the department shall  
34 provide the licensee with all documentation that supports the  
35 department's immediate action for failure to cooperate.

36 (c) If the presiding officer determines the alleged violation, if  
37 true, does not constitute an immediate jeopardy or determines that  
38 the licensee cooperated with the department's investigation, the  
39 presiding officer may overturn the immediate action for failure to  
40 cooperate.

1 (d) If the presiding officer determines the allegation, if true,  
2 would constitute an immediate jeopardy and the licensee failed to  
3 cooperate with the department's investigation, the immediate action  
4 for failure to cooperate shall remain in effect pending a full  
5 hearing.

6 (e) If the presiding officer sustains the immediate action for  
7 failure to cooperate, the licensee may request an expedited full  
8 hearing on the merits of the department's action. A full hearing must  
9 be provided within 90 days of the licensee's request.

10 **Sec. 9.** RCW 70.127.170 and 2024 c 121 s 11 are each amended to  
11 read as follows:

12 The department is authorized to take any of the actions  
13 identified in RCW 70.127.165 against an in-home services agency's  
14 license in any case in which it finds that the licensee:

15 (1) Failed or refused to comply with the requirements of this  
16 chapter, standards or rules adopted under this chapter, section 2 of  
17 this act, or other applicable state or federal statutes or rules  
18 regulating the facility or agency;

19 (2) Was the holder of a license issued pursuant to this chapter  
20 that was revoked for cause and never reissued by the department, or  
21 that was suspended for cause and the terms of the suspension have not  
22 been fulfilled and the licensee has continued to operate;

23 (3) Has knowingly or with reason to know made a misrepresentation  
24 of, false statement of, or failed to disclose, a material fact to the  
25 department in an application for the license or any data attached  
26 thereto or in any record required by this chapter or matter under  
27 investigation by the department, or during a survey, or concerning  
28 information requested by the department;

29 (4) Refused to allow representatives of the department to inspect  
30 any book, record, or file required by this chapter to be maintained  
31 or any portion of the licensee's premises;

32 (5) Willfully prevented, interfered with, or attempted to impede  
33 in any way the work of any representative of the department and the  
34 lawful enforcement of any provision of this chapter. This includes  
35 but is not limited to: Willful misrepresentation of facts during a  
36 survey, investigation, or administrative proceeding or any other  
37 legal action; or use of threats or harassment against any patient,  
38 client, or witness, or use of financial inducements to any patient,  
39 client, or witness to prevent or attempt to prevent him or her from

1 providing evidence during a survey or investigation, in an  
2 administrative proceeding, or any other legal action involving the  
3 department;

4 (6) Willfully prevented or interfered with any representative of  
5 the department in the preservation of evidence of any violation of  
6 this chapter or the rules adopted under this chapter;

7 (7) Failed to pay any civil monetary penalty assessed by the  
8 department pursuant to this chapter within 10 days after the  
9 assessment becomes final;

10 (8) Used advertising that is false, fraudulent, or misleading;

11 (9) Has repeated incidents of personnel performing services  
12 beyond their authorized scope of practice;

13 (10) Misrepresented or was fraudulent in any aspect of the  
14 conduct of the licensee's business;

15 (11) Within the last five years, has been found in a civil or  
16 criminal proceeding to have committed any act that reasonably relates  
17 to the person's fitness to establish, maintain, or administer an  
18 agency or to provide care in the home of another;

19 (12) Was the holder of a license to provide care or treatment to  
20 ill individuals, vulnerable individuals, or individuals with  
21 disabilities that was denied, restricted, not renewed, surrendered,  
22 suspended, or revoked by a competent authority in any state, federal,  
23 or foreign jurisdiction. A certified copy of the order, stipulation,  
24 or agreement is conclusive evidence of the denial, restriction,  
25 nonrenewal, surrender, suspension, or revocation;

26 (13) Failed to comply with an order issued by the secretary or  
27 designee;

28 (14) Aided or abetted the unlicensed operation of an in-home  
29 services agency;

30 (15) Operated beyond the scope of the in-home services agency  
31 license;

32 (16) Failed to adequately supervise staff to the extent that the  
33 health or safety of a patient or client was at risk;

34 (17) Compromised the health or safety of a patient or client,  
35 including, but not limited to, the individual performing services  
36 beyond their authorized scope of practice;

37 (18) Continued to operate after license revocation, suspension,  
38 or expiration, or operating outside the parameters of a modified,  
39 conditioned, or restricted license;

40 (19) Failed or refused to comply with chapter 70.02 RCW;

(20) Abused, neglected, abandoned, or financially exploited a patient or client as these terms are defined in RCW 74.34.020;

(21) Misappropriated the property of an individual;

(22) Is unqualified or unable to operate or direct the operation of the agency according to this chapter and the rules adopted under this chapter;

(23) Obtained or attempted to obtain a license by fraudulent means or misrepresentation; or

(24) Failed to report abuse or neglect of a patient or client in violation of chapter 74.34 RCW.

**Sec. 10.** RCW 71.24.910 and 2022 c 263 s 22 are each amended to read as follows:

If the insurance commissioner reports to the department that he or she has cause to believe that a provider licensed under this chapter has engaged in a pattern of violations of RCW 48.49.020 or 48.49.030 or has violated section 2 of this act, and the report is substantiated after investigation, the department may levy a fine upon the provider in an amount not to exceed \$1,000 per violation and take other formal or informal disciplinary action as permitted under the authority of the department.

**Sec. 11.** RCW 71.12.710 and 2024 c 121 s 18 are each amended to read as follows:

(1) In any case in which the department finds that a private establishment has failed or refused to comply with the requirements of this chapter, the standards or rules adopted under this chapter, section 2 of this act, or other applicable state or federal statutes or rules, the department may take one or more of the actions identified in this section, except as otherwise limited in this section.

(a) When the department determines the private establishment has previously been subject to an enforcement action for the same or similar type of violation of the same statute or rule, or has been given any previous statement of deficiency that included the same or similar type of violation of the same or similar statute or rule, or when the private establishment failed to correct noncompliance with a statute or rule by a date established or agreed to by the department, the department may impose reasonable conditions on a license. Conditions may include correction within a specified amount of time,



1 training, or hiring a department-approved consultant if the private  
2 establishment cannot demonstrate to the department that it has access  
3 to sufficient internal expertise.

4 (b) (i) In accordance with the authority the department has under  
5 RCW 43.70.095, the department may assess a civil fine of up to  
6 \$10,000 per violation, not to exceed a total fine of \$1,000,000, on a  
7 private establishment licensed under this chapter when the department  
8 determines the private establishment has previously been subject to  
9 an enforcement action for the same or similar type of violation of  
10 the same statute or rule, or has been given any previous statement of  
11 deficiency that included the same or similar type of violation of the  
12 same or similar statute or rule, or when the private establishment  
13 failed to correct noncompliance with a statute or rule by a date  
14 established or agreed to by the department.

15 (ii) Proceeds from these fines may only be used by the department  
16 to provide training or technical assistance to private establishments  
17 or to offset costs associated with licensing private establishments.

18 (iii) The department shall adopt in rules under this chapter  
19 specific fine amounts in relation to the severity of the  
20 noncompliance.

21 (iv) If a licensee is aggrieved by the department's action of  
22 assessing civil fines, the licensee has the right to appeal under RCW  
23 43.70.095.

24 (c) The department may suspend new admissions of a specific  
25 category or categories of patients as related to the violation by  
26 imposing a limited stop placement. This may only be done if the  
27 department finds that noncompliance results in immediate jeopardy.

28 (i) Prior to imposing a limited stop placement, the department  
29 shall provide a private establishment written notification upon  
30 identifying deficient practices or conditions that constitute an  
31 immediate jeopardy, and the private establishment shall have 24 hours  
32 from notification to develop and implement a department-approved plan  
33 to correct the deficient practices or conditions that constitute an  
34 immediate jeopardy. If the deficient practices or conditions that  
35 constitute immediate jeopardy are not verified by the department as  
36 having been corrected within the same 24-hour period, the department  
37 may issue the limited stop placement.

38 (ii) When the department imposes a limited stop placement, the  
39 private establishment may not accept any new admissions in the

1 category or categories subject to the limited stop placement until  
2 the limited stop placement order is terminated.

3 (iii) The department shall conduct a follow-up inspection within  
4 five business days or within the time period requested by the private  
5 establishment if more than five business days is needed to verify the  
6 violation necessitating the limited stop placement has been  
7 corrected.

8 (iv) The limited stop placement shall be terminated when:

9 (A) The department verifies the violation necessitating the  
10 limited stop placement has been corrected or the department  
11 determines that the private establishment has taken intermediate  
12 action to address the immediate jeopardy; and

13 (B) The private establishment establishes the ability to maintain  
14 correction of the violation previously found deficient.

15 (d) The department may suspend all new admissions to the private  
16 establishment by imposing a stop placement. This may only be done if  
17 the department finds that noncompliance results in immediate jeopardy  
18 and is not confined to a specific category or categories of patients  
19 or a specific area of the private establishment.

20 (i) Prior to imposing a stop placement, the department shall  
21 provide a private establishment written notification upon identifying  
22 deficient practices or conditions that constitute an immediate  
23 jeopardy, and the private establishment shall have 24 hours from  
24 notification to develop and implement a department-approved plan to  
25 correct the deficient practices or conditions that constitute an  
26 immediate jeopardy. If the deficient practices or conditions that  
27 constitute immediate jeopardy are not verified by the department as  
28 having been corrected within the same 24-hour period, the department  
29 may issue the stop placement.

30 (ii) When the department imposes a stop placement, the private  
31 establishment may not accept any new admissions until the stop  
32 placement order is terminated.

33 (iii) The department shall conduct a follow-up inspection within  
34 five business days or within the time period requested by the private  
35 establishment if more than five business days is needed to verify the  
36 violation necessitating the stop placement has been corrected.

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

38 (A) The department verifies the violation necessitating the stop  
39 placement has been corrected or the department determines that the

1 private establishment has taken intermediate action to address the  
2 immediate jeopardy; and

3 (B) The private establishment establishes the ability to maintain  
4 correction of the violation previously found deficient.

5 (e) The department may suspend a specific category or categories  
6 of services within the private establishment as related to the  
7 violation by imposing a limited stop service. This may only be done  
8 if the department finds that noncompliance results in immediate  
9 jeopardy.

10 (i) Prior to imposing a limited stop service, the department  
11 shall provide a private establishment written notification upon  
12 identifying deficient practices or conditions that constitute an  
13 immediate jeopardy. The private establishment shall have 24 hours  
14 from notification to develop and implement a department-approved plan  
15 to correct the deficient practices or conditions that constitute an  
16 immediate jeopardy. If the deficient practices or conditions that  
17 constitute immediate jeopardy are not verified by the department as  
18 having been corrected within the same 24-hour period, the department  
19 may issue the limited stop service.

20 (ii) When the department imposes a limited stop service, the  
21 private establishment may not provide the services in the category or  
22 categories subject to the limited stop service to any new or existing  
23 individuals, unless otherwise allowed by the department, until the  
24 limited stop service is terminated.

25 (iii) The department shall conduct a follow-up inspection within  
26 five business days or within the time period requested by the private  
27 establishment if more than five business days is needed to verify the  
28 violation necessitating the limited stop service has been corrected.

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

30 (A) The department verifies the violation necessitating the  
31 limited stop service has been corrected or the department determines  
32 that the private establishment has taken intermediate action to  
33 address the immediate jeopardy; and

34 (B) The private establishment establishes the ability to maintain  
35 correction of the violation previously found deficient.

36 (f) The department may suspend, revoke, or refuse to renew a  
37 license.

38 (2)(a) Except as otherwise provided, RCW 43.70.115 governs notice  
39 of the imposition of conditions on a license, a limited stop  
40 placement, stop placement, limited stop service, or the suspension,

1 revocation, or refusal to renew a license and provides the right to  
2 an adjudicative proceeding. Adjudicative proceedings and hearings  
3 under this section are governed by the administrative procedure act,  
4 chapter 34.05 RCW. The application for an adjudicative proceeding  
5 must be in writing, state the basis for contesting the adverse  
6 action, including a copy of the department's notice, be served on and  
7 received by the department within 28 days of the licensee's receipt  
8 of the adverse notice, and be served in a manner that shows proof of  
9 receipt.

10 (b) When the department determines a licensee's noncompliance  
11 results in immediate jeopardy, the department may make the imposition  
12 of conditions on a licensee, a limited stop placement, stop  
13 placement, limited stop service, or the suspension of a license  
14 effective immediately upon receipt of the notice by the licensee,  
15 pending any adjudicative proceeding.

16 (i) When the department makes the suspension of a license or  
17 imposition of conditions on a license effective immediately, a  
18 licensee is entitled to a show cause hearing before a presiding  
19 officer within 14 days of making the request. The licensee must  
20 request the show cause hearing within 28 days of receipt of the  
21 notice of immediate suspension or immediate imposition of conditions.  
22 At the show cause hearing the department has the burden of  
23 demonstrating that more probably than not there is an immediate  
24 jeopardy.

25 (ii) At the show cause hearing, the presiding officer may  
26 consider the notice and documents supporting the immediate suspension  
27 or immediate imposition of conditions and the licensee's response and  
28 must provide the parties with an opportunity to provide documentary  
29 evidence and written testimony, and to be represented by counsel.  
30 Prior to the show cause hearing, the department must provide the  
31 licensee with all documentation that supports the department's  
32 immediate suspension or immediate imposition of conditions.

33 (iii) If the presiding officer determines there is no immediate  
34 jeopardy, the presiding officer may overturn the immediate suspension  
35 or immediate imposition of conditions.

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

39 (v) If the secretary sustains the immediate suspension or  
40 immediate imposition of conditions, the licensee may request an

1 expedited full hearing on the merits of the department's action. A  
2 full hearing must be provided within 90 days of the licensee's  
3 request.

4 (3) When the department determines an alleged violation, if true,  
5 would constitute an immediate jeopardy, and the licensee fails to  
6 cooperate with the department's investigation of such an alleged  
7 violation, the department may impose an immediate stop placement,  
8 immediate limited stop placement, immediate limited stop service,  
9 immediate imposition of conditions, or immediate suspension.

10 (a) When the department imposes an immediate stop placement,  
11 immediate limited stop placement, immediate limited stop service,  
12 immediate imposition of conditions, or immediate suspension for  
13 failure to cooperate, a licensee is entitled to a show cause hearing  
14 before a presiding officer within 14 days of making the request. The  
15 licensee must request the show cause hearing within 28 days of  
16 receipt of the notice of an immediate stop placement, immediate  
17 limited stop placement, immediate limited stop service, immediate  
18 imposition of conditions, or immediate suspension for failure to  
19 cooperate. At the show cause hearing the department has the burden of  
20 demonstrating that more probably than not the alleged violation, if  
21 true, would constitute an immediate jeopardy and the licensee failed  
22 to cooperate with the department's investigation.

23 (b) At the show cause hearing, the presiding officer may consider  
24 the notice and documents supporting the immediate stop placement,  
25 immediate limited stop placement, immediate limited stop service,  
26 immediate imposition of conditions, or immediate suspension for  
27 failure to cooperate, and the licensee's response and shall provide  
28 the parties with an opportunity to provide documentary evidence and  
29 written testimony, and to be represented by counsel. Prior to the  
30 show cause hearing, the department shall provide the licensee with  
31 all documentation that supports the department's immediate action for  
32 failure to cooperate.

33 (c) If the presiding officer determines the alleged violation, if  
34 true, does not constitute an immediate jeopardy or determines that  
35 the licensee cooperated with the department's investigation, the  
36 presiding officer may overturn the immediate action for failure to  
37 cooperate.

38 (d) If the presiding officer determines the allegation, if true,  
39 would constitute an immediate jeopardy and the licensee failed to  
40 cooperate with the department's investigation, the immediate action

1 for failure to cooperate shall remain in effect pending a full  
2 hearing.

3 (e) If the presiding officer sustains the immediate action for  
4 failure to cooperate, the licensee may request an expedited full  
5 hearing on the merits of the department's action. A full hearing must  
6 be provided within 90 days of the licensee's request.

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