

# HOUSE BILL REPORT

## HB 1021

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**As Reported by House Committee On:**  
Health Care & Wellness  
Health & Human Services Appropriations

**Title:** An act relating to prior notice of hospital surveys and audits.

**Brief Description:** Concerning prior notice of hospital surveys and audits.

**Sponsors:** Representatives Campbell, Morrell and Moeller.

**Brief History:**

**Committee Activity:**

Health Care & Wellness: 1/20/09, 1/22/09 [DPS];

Health & Human Services Appropriations: 2/11/09, 2/25/09 [DP2S(w/o sub HCW)].

**Brief Summary of Second Substitute Bill**

- Restores the requirement that any state agency that provides advance notice of a hospital survey or audit do so no less than four weeks prior to the survey or audit.
- Provides that hospital inspections conducted by the Department of Health (DOH) must be performed unannounced.
- Prohibits the DOH from issuing its final report regarding a hospital inspection unless certain requirements are met.
- Includes Det Norske Veritas as an entity authorized to conduct hospital surveys.

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**HOUSE COMMITTEE ON HEALTH CARE & WELLNESS**

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Cody, Chair; Driscoll, Vice Chair; Ericksen, Ranking Minority Member; Bailey, Campbell, Clibborn, Green, Hinkle, Kelley, Moeller, Morrell and Pedersen.

**Staff:** Kyle Gotchy (786-7119) and Jim Morishima (786-7191)

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

**Background:**

State agencies, including the Department of Health (DOH), conduct hospital surveys and audits in order to enforce standards and rules required for the safe care and treatment of patients. An audit entails an examination of records or financial accounts to evaluate accuracy and monitor compliance with statutory or regulatory requirements. A survey involves an inspection, examination, or site visit conducted by an agency.

Agencies may be required to give prior notice of an audit or survey unless the agency is responding to a complaint or immediate public health and safety concerns or when such prior notice would conflict with other state or federal law. Any state agency that provides notice of a hospital survey or audit must provide such notice to the hospital no less than four weeks prior to the date of the survey or audit.

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**Summary of Substitute Bill:**

When the DOH inspects a hospital, the inspection must be conducted on an unannounced basis. The DOH is prohibited from issuing its final report regarding an unannounced inspection until:

1. the hospital is given at least two weeks to provide any information or documentation requested by the DOH during the inspection that was not available at the time of the request; and
2. at least one person from the DOH conducting the inspection meets personally with the chief administrator or executive officer of the hospital following the inspection, or the chief administrator or executive officer declines such a meeting.

**Substitute Bill Compared to Original Bill:**

The substitute bill restores the requirement, removed in the original bill, that any state agency providing notice of a hospital survey or audit provide that notice at least four weeks prior to the date of the survey or audit.

A requirement is added that when the DOH inspects a hospital, the inspection must be conducted on an unannounced basis.

Two requirements were added to the standards governing DOH reports. The DOH is prohibited from issuing its final report regarding an unannounced inspection until:

1. the hospital is given at least two weeks to respond to requests for information; and
  2. at least one DOH representative meets with a hospital official, or the hospital official declines such a meeting.
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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) This bill has been well worked and is acceptable to the hospital association. The substitute version narrows the scope so that it only impacts the DOH and hospitals. The bill removes the ridiculous requirement of providing a four-week notice prior to inspecting a hospital. We would like the hospitals to be on ready status at all times; this bill provides the appropriate conditions. This bill is part of the continuing effort to address the incidence of Methicillin-resistant Staphylococcus aureus (MRSA) infections in hospitals.

(Opposed) None.

**Persons Testifying:** Representative Campbell, prime sponsor.

**Persons Signed In To Testify But Not Testifying:** None.

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**HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES APPROPRIATIONS**

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Health Care & Wellness. Signed by 15 members: Representatives Pettigrew, Chair; Seaquist, Vice Chair; Schmick, Ranking Minority Member; Alexander, Assistant Ranking Minority Member; Appleton, Cody, Dickerson, Ericksen, Johnson, Miloscia, Morrell, O'Brien, Roberts, Walsh and Wood.

**Staff:** Chris Blake (786-7392)

**Summary of Recommendation of Committee On Health & Human Services Appropriations Compared to Recommendation of Committee On Health Care & Wellness:**

The substitute version of the bill deems surveys conducted by the accrediting organization, Det Norske Veritas, as equivalent to a Department of Health survey.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Second Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

None.

**Persons Testifying:** None.

**Persons Signed In To Testify But Not Testifying:** None.