

HOUSE BILL REPORT

HB 2574

*As Reported By House Committee on:
Commerce & Labor*

Title: An act relating to the definition of hospital in regard to self-insurers.

Brief Description: Defining hospital in regard to self-insurers.

Sponsor(s): Representatives Jones, G. Cole, Heavey and Fuhrman; by request of Department of Labor & Industries.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 6, 1992, DPS.

**HOUSE COMMITTEE ON
COMMERCE & LABOR**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 11 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Fuhrman, Ranking Minority Member; Lisk, Assistant Ranking Minority Member; Franklin; Jones; R. King; O'Brien; Prentice; Vance; and Wilson.

Staff: Chris Cordes (786-7117).

Background: Under the state industrial insurance system, certain hospital employees may be covered through one of two self-insurance groups, one for public hospitals and one for private hospitals. The definition of "hospital" for the purpose of authorizing these groups refers to a statute that was repealed in 1990 when the Washington State Hospital Commission was repealed.

Summary of Substitute Bill: The authority for hospitals to form industrial insurance self-insurance groups is amended by deleting the reference to a repealed definition of "hospital." A new definition is added that includes hospitals under the hospital licensing statute and hospitals regulated as psychiatric hospitals, but excludes beds used by a comprehensive cancer center for cancer research. A reference is deleted that limited the self-insurance group for non-public hospitals to not-for-profit hospitals.

Substitute Bill Compared to Original Bill: The substitute bill corrects the punctuation in the bill's title.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill is needed to correct a statutory reference to the Washington Hospital Commission statute, which has been repealed. The bill also reflects a policy change for private hospitals that has been in place since 1987. The self-insurance group for private hospitals no longer makes a distinction between nonprofit and profit-making hospitals.

Testimony Against: None.

Witnesses: (In favor) Representative Evan Jones, prime sponsor; and Jody Moran, Department of Labor and Industries.