

HOUSE BILL REPORT

HB 1332

As Reported By House Committee On:

Health Care
Appropriations

Title: An act relating to the licensure of ambulatory surgical centers.

Brief Description: Adopting minimum standards for ambulatory surgical centers.

Sponsors: Representatives Dyer and Dellwo; by request of Department of Health.

Brief History:

Committee Activity:

Health Care: 2/7/95, 2/23/95 [DPS];
Appropriations: 3/2/95, 3/4/95 [DPS(HC)].

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Dyer, Chairman; Backlund, Vice Chairman; Hymes, Vice Chairman; Cody, Assistant Ranking Minority Member; Campbell; Conway; Crouse; Kessler; Morris and Skinner.

Minority Report: Do not pass. Signed by 2 members: Representatives Casada and Sherstad.

Staff: John Welsh (786-7133).

Background: Ambulatory surgical centers are not regulated by law, although the department of Health certifies them for the purposes of reimbursement under the federal Medicare program. Surgery is also performed in hospitals, which are licensed facilities, but an estimated 60 percent of all surgeries will be performed on an out-patient basis by 1996.

Ambulatory surgical centers are distinct facilities operating exclusively for the purpose of performing outpatient surgical procedures. Most are physician-owned and operated within the physician's office practice.

Summary of Substitute Bill: There is a legislative declaration that ambulatory surgical centers provide access to citizens resulting in reduced health care costs.

Patients however may be put at risk due to the invasive nature of services and the short patient recovery time. Licensing these facilities in accordance with enforceable standards will ensure a safe environment for patients.

After June 30, 1996, no person may operate an ambulatory surgical center without applying for and obtaining a license from the Department of Health. An ambulatory surgical center is defined as any distinct entity that operates exclusively for performing surgical procedures for patients not requiring hospitalization, except a facility already regulated by law, or a facility in a physician's office not extending privileges to physician's outside the office.

Applicants for licensure must submit a list of surgical procedures offered; submit for review and approval building plans for new construction; demonstrate ability to comply with regulations; cooperate with department on-site reviews; provide proof of organizational structure and identity of owners, officers and managers; and pay established licensing fees.

A license is valid for two years, except for the first license with a duration of 12 months. On-site surveys must be conducted at least once during the licensing cycle unless waived under this act.

The department is required to establish by rule minimum standards of construction, maintenance and operation of surgical centers.

The department may deny, suspend, or revoke a license, and may assess civil penalties, for cause, including failure to comply with licensure requirements; making false statements on the application or required records or in matters under investigation; refusal to cooperate or interfering with lawful enforcement of requirements; failure to pay civil penalties; false advertising; or performing services beyond scope of practice by personnel.

The license of a surgical center meeting federal Medicare or professional accreditation standards may be renewed without on-site surveys if they are substantially equivalent to state standards.

Substitute Bill Compared to Original Bill: Housekeeping and technical changes are made.

Appropriation: None.

Fiscal Note: Requested on January 30, 1995.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on July 1, 1995.

Testimony For: Licensure is necessary to protect the public with an assurance of adequate safety and health standards.

Testimony Against: None.

Testified: Todd Herzog and Patty Hayes, Washington Association of Nurse Anesthetists (pro); Lisa Thatcher, Washington State Hospital Association; Linda Hull, Washington State Dental Association; Susie Tracy, Washington State Society of Oral Surgeons; Kathy Stout, Department of Health (pro); Dr. Mimi Fields, Department of Health; Dr. Michael Rosenblatt, Washington State Podiatric Medicine Association; and Jane Johnson.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Health Care be substituted therefor and the substitute bill do pass. Signed by 26 members: Representatives Silver, Chairman; Clements, Vice Chairman; Huff, Vice Chairman; Pelesky, Vice Chairman; Sommers, Ranking Minority Member; Valle, Assistant Ranking Minority Member; Brumsickle; Carlson; Chappell; Cooke; Crouse; G. Fisher; Foreman; Grant; Hargrove; Jacobsen; Lambert; Lisk; McMorris; Poulsen; Reams; Rust; Sehlin; Sheahan; Thibaudeau and Wolfe.

Minority Report: Without recommendation. Signed by 3 members: Representatives Beeksma; Hickel and Talcott.

Staff: Jim Lux (786-7152).

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Health Care: No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on July 1, 1995.

Testimony For: Licensure and inspection will provide patient health and safety in a growing industry.

Testimony Against: Nothing has occurred to date that necessitates licensure and regulation.

Testified: Kathy Stout, Department of Health (pro); Patty Hayes, Freestanding Ambulatory Surgery Centers of Washington State (pro); and Carl Nelson, Washington State Medical Association (con).