
SUBSTITUTE HOUSE BILL 3016

State of Washington

56th Legislature

2000 Regular Session

By House Committee on Health Care (originally sponsored by Representatives Parlette and Cody)

Read first time 02/04/2000. Referred to Committee on .

1 AN ACT Relating to providing state medical assistance
2 reimbursements for small rural hospitals that meet the criteria of a
3 critical access hospital; adding new sections to chapter 74.09 RCW; and
4 creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that promoting a
7 financially viable health care system in all parts of the state is a
8 paramount interest. The health care financing administration has
9 recognized the crucial role that hospitals play in providing care in
10 rural areas by creating the critical access hospital program to allow
11 small, rural hospitals that qualify to receive reasonable cost-based
12 reimbursement for medicare services. The legislature further finds
13 that creating a similar reimbursement system for the state's medical
14 assistance programs in small, rural hospitals that qualify will help
15 ensure the long-term financial viability of the rural health system in
16 those communities. In creating this program the legislature intends to
17 fund it through new state funds and not pull funds from existing
18 programs.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.09 RCW
2 to read as follows:

3 Payments for recipients eligible for medical assistance programs
4 under chapter 74.09 RCW for services provided by hospitals, regardless
5 of the beneficiary's managed care enrollment status, shall be a cost-
6 based reimbursement, as defined by the hospital's cost to charge ratio,
7 when services are provided by a rural hospital that either: (1) Has
8 been certified by the health care financing administration as a
9 critical access hospital; or (2) meets the geographic criteria for a
10 critical access hospital and has no more than twenty-five available
11 beds, with not more than fifteen acute care beds and ten swing beds.
12 Any additional payments made by the medical assistance administration
13 for the healthy options program shall be no more than the additional
14 amounts per service paid under this section for other medical
15 assistance programs.

16 NEW SECTION. **Sec. 3.** A new section is added to chapter 74.09 RCW
17 to read as follows:

18 The department of social and health services shall implement the
19 program created in section 2 of this act within sixty days of the
20 effective date of section 2 of this act regardless of the beneficiary's
21 managed care status.

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