
SECOND SUBSTITUTE HOUSE BILL 3016

State of Washington

56th Legislature

2000 Regular Session

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

Read first time 02/08/2000. 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 new sections.

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, may include, but
6 are not limited to, consideration of cost-based reimbursement when
7 services are provided by a rural hospital that either: (1) Has been
8 certified by the health care financing administration as a critical
9 access hospital; or (2) meets the geographic criteria for a critical
10 access hospital and has no more than twenty-five available beds, with
11 not more than fifteen acute care beds and ten swing beds. If cost-
12 based reimbursement is considered, it is as defined by the hospital's
13 cost to charge ratio. Any additional payments made by the medical
14 assistance administration for the healthy options program shall be no
15 more than the additional amounts per service paid under this section
16 for other medical assistance programs.

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

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

23 NEW SECTION. **Sec. 4.** If specific funding for the purposes of this
24 act, referencing this act by bill or chapter number, is not provided by
25 June 30, 2000, in the omnibus appropriations act, this act is null and
26 void.

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