
HOUSE BILL 3016

State of Washington

56th Legislature

2000 Regular Session

By Representatives Parlette and Cody

Read first time 01/25/2000. Referred to Committee on Health Care.

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

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

3 (1) Payments under Title XIX of the federal social security act,
4 the limited casualty program, and the medical care services program for
5 services provided by hospitals shall be a cost-based reimbursement, as
6 defined by the rate of cost to charge ratio, when services are provided
7 by a rural hospital that either (a) has been certified by the health
8 care financing authority as a critical access hospital; or (b) meets
9 the geographic criteria for a critical access hospital and has no more
10 than twenty-five available beds, with not more than fifteen acute care
11 beds and ten swing beds.

12 (2) Payments under the limited casualty program and medical care
13 services program to hospitals that qualify under subsection (1) of this
14 section shall be made from additional state funds, which shall not
15 include Title XIX funds or funds under the federal disproportionate
16 share hospital program.

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 for the state medicaid program
22 and the limited casualty and medical care services programs, and shall
23 require that contracts under RCW 74.09.522, the healthy options
24 program, that are entered into or renewed after July 1, 2000, to
25 include provisions to pay cost-based reimbursement to hospitals that
26 qualify under section 2 of this act.

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