

1 **2SHB 1865** - H AMD **0314 ADOPTED 3-19-03**
2 By Representative Cody

3 Strike everything after the enacting clause and insert the
4 following:

5 "NEW SECTION. **Sec. 1.** The legislature finds that thousands of
6 patients are injured each year in the United States as a result of
7 medical errors, and that a more comprehensive approach than looking
8 only at the fault of individual practitioners is needed to
9 effectively reduce the incidence of medical errors in our health
10 care system. Incentives should be available to encourage health
11 care providers, facilities, and health carriers to engage in proven
12 patient safety and medical error reduction efforts. Investments in
13 proven strategies can reduce medical errors, and thereby
14 potentially reduce the need for disciplinary actions against
15 licensed health care professionals and facilities, and the
16 frequency and severity of medical malpractice claims. By
17 authorizing contributions to fund proven patient safety and medical
18 error reduction strategies through a patient safety program, the
19 legislature intends to positively influence the safety and quality
20 of care provided in Washington state's health care system.

21 NEW SECTION. **Sec. 2.** A new section is added to chapter 7.70
22 RCW to read as follows:

23 An injured claimant who receives a settlement or judgment in
24 any action for damages based upon injuries resulting from health
25 care may contribute a portion of that settlement or judgment to the
26 department of health for deposit into the patient safety account
27 established in section 5 of this act for the patient safety
28 activities authorized in section 3 of this act. Proceeds of the
29 contributions will be distributed by the department of health in
30 the form of grants, loans, or other appropriate arrangements to
31 support strategies that have been proven to reduce medical errors
32 and enhance patient safety.

1 NEW SECTION. Sec. 3. A new section is added to chapter 43.70
2 RCW to read as follows:

3 Proceeds from the contributions authorized in section 2 of this
4 act shall be administered by the department of health, in
5 consultation with established patient safety coalitions. Upon
6 receipt of at least one hundred thousand dollars in contributions
7 under section 2 of this act or grants or other funds under section
8 4 of this act, patient safety proceeds will be distributed in the
9 form of grants, loans, or other appropriate arrangements to support
10 strategies that have been proven to reduce medical errors and
11 enhance patient safety. In developing criteria for the award of
12 grants, loans, or other funding arrangements under this section,
13 the department shall:

14 (1) Consult with established patient safety coalitions and
15 health care workers engaged in direct patient care activities; and

16 (2) Rely heavily upon evidence-based practices that have been
17 shown to improve patient safety and have been identified and
18 recommended by governmental and private organizations, including
19 but not limited to:

20 (a) The federal agency for health care quality and research;

21 (b) The federal institute of medicine;

22 (c) The joint commission on accreditation of health care
23 organizations; and

24 (d) The national quality forum.

25 NEW SECTION. Sec. 4. A new section is added to chapter 43.70
26 RCW to read as follows:

27 The secretary may solicit and accept grants or other funds from
28 public and private sources to support patient safety and medical
29 error reduction efforts under this act. Any grants or funds
30 received may be used to enhance these activities as long as program
31 standards established by the secretary are maintained.

32 NEW SECTION. Sec. 5. A new section is added to chapter 43.70
33 RCW to read as follows:

34 The patient safety account is created in the custody of the
35 state treasurer. All receipts from contributions authorized in
36 section 2 of this act must be deposited into the account.
37 Expenditures from the account may be used only for the purposes of

1 this act. Only the secretary or the secretary's designee may
2 authorize expenditures from the account. The account is subject to
3 allotment procedures under chapter 43.88 RCW, but an appropriation
4 is not required for expenditures.

5 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.70
6 RCW to read as follows:

7 By December 1, 2006, the department shall report the following
8 information to the governor and the health policy and fiscal
9 committees of the legislature:

10 (1) The amount of contributions deposited to date in the
11 patient safety account;

12 (2) The criteria for distribution of grants and loans under
13 this act; and

14 (3) A description of the medical error reduction and patient
15 safety grants and loans distributed to date, including their
16 desired objectives, activities, timelines, and any available
17 information on outcomes.

18 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.131
19 RCW to read as follows:

20 The patient safety program shall be terminated December 31,
21 2008, as provided in section 8 of this act.

22 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.131
23 RCW to read as follows:

24 The following acts or parts of acts, as now existing or
25 hereafter amended, are each repealed, effective December 31, 2009:

26 (1) Section 2 of this act;

27 (2) Section 3 of this act;

28 (3) Section 4 of this act;

29 (4) Section 5 of this act; and

30 (5) Section 6 of this act."

Correct the title.

EFFECT: Removes the one percent set aside placed on
settlements and judgments from actions for injuries resulting

from health care and replaces it with a voluntary contribution that plaintiffs may make to fund patient safety activities. Allows the Department of Health to distribute grants once at least \$100,000 in contributions are collected in the patient safety account. Removes the delayed effective date of January 1, 2004.