

SENATE BILL REPORT

SB 5790

As Passed Senate, February 3, 2004

Title: An act relating to certificate of need exemptions for nursing facilities.

Brief Description: Changing the time period in which beds can be converted back to nursing facilities.

Sponsors: Senators Franklin, Deccio, Winsley and Kline.

Brief History:

Committee Activity: Health & Long-Term Care: 2/26/03, 3/4/03 [DP-WM].
Passed Senate: 3/19/03, 47-0; 2/3/04, 48-0.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass and be referred to Committee on Ways & Means.
Signed by Senators Deccio, Chair; Brandland, Franklin and Keiser.

Staff: Rhoda Donkin (786-7198)

Background: The Certificate of Need program is administered by the Department of Health as a cost containment program designed to ensure the construction, development, or acquisition of only those new health care facilities and services which promote access to high quality and needed care at reasonable costs. Nursing homes are among the facilities covered under the Certificate of Need law.

A Certificate of Need is required of a nursing home in order to increase the number of nursing home beds in the facility. However, the law provides that a nursing home may "bank" or hold in reserve any current beds in order to use the space for other related purposes that enhance the quality of life for residents.

If construction is required to restore the "banked" beds, notice of intent to reconvert must be given to the department and must be given at a minimum one year prior to the effective date of license modification. In all other cases, notice must be given 90 days prior to modification. If banked beds are not restored to their use, they become unlicensed after eight years.

Summary of Bill: Nursing home beds may bank beds for up to 24 years without losing the license for those beds.

When beds are banked to enhance resident quality of life, they are permanently exempt from Certificate of Need requirements.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: This allows the system to respond to changes in the market without imposing penalties on nursing home operations.

Testimony Against: None.

Testified: PRO: Brendon Williams, Jeff Marshall, Tracee DeGrande, Terry Mace, WHCA; Harry Steinmetz, WAHSA.