
Judiciary Committee

HB 1783

Title: An act relating to the use of arbitration in resolving medical staff disputes regarding membership and privileges.

Brief Description: Providing for the use of arbitration in resolving medical staff disputes regarding membership and privileges.

Sponsors: Representatives Schual-Berke, Green, Morrell, Wood and Springer.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Allows hospital governing authorities to require arbitration of disputes relating to hospital admitting privileges or membership.

Hearing Date: 2/14/05

Staff: Edie Adams (786-7180).

Background:

Hospitals in Washington are licensed and regulated by the Department of Health (DOH). The DOH has adopted standards for the maintenance and operation of hospitals, including standards relating to performance and quality, staffing, hospital services, and safety.

The governing authority of a hospital is the group of people with the authority to control and direct a hospital and that has legal responsibility for what happens in a hospital. The governing authority is typically a board of trustees or board of commissioners. The board is responsible for establishing and appointing a medical staff and reviewing and approving medical staff bylaws and regulations. The medical staff bylaws must include standards and procedures regarding qualifications for membership, appointment processes, and processes for granting clinical privileges.

The medical staff is given authority and responsibility for investigating and making recommendations relating to medical staff membership, including clinical privileges and disciplinary actions, in accordance with the bylaws. However, the governing authority has final approval of the selection of medical staff and the granting or revoking of medical staff privileges.

Arbitration is a form of alternative dispute resolution. Parties to a dispute may voluntarily agree in writing that they will submit the dispute to a neutral third-party for resolution. A procedural framework for conducting the arbitration proceeding is provided in statute, including provisions

relating to appointment of an arbitrator, attorney representation, witnesses, depositions, and awards. The arbitrator's decision is final and binding on the parties, and there is no general right of appeal. A court's review of an arbitration decision is limited to confirming the award, correction or modification of an award, or vacation of an award under limited circumstances.

Summary of Bill:

A hospital governing authority may require that disputes regarding admitting privileges or membership be resolved through arbitration after the hospital governing authority has made a final decision regarding the dispute.

The hospital may require the practitioner to pay up to one-half of the costs of the arbitrator. In addition, the hospital may require the prevailing party to pay the other party's attorneys' fees where the arbitrator finds the appeal was frivolous.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.