H-0447.1			

## HOUSE BILL 1103

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State of Washington 60th Legislature 2007 Regular Session

By Representatives Campbell, Green, Kenney, Hudgins, Appleton, Schual-Berke and Cody

Read first time 01/10/2007. Referred to Committee on Health Care & Wellness.

- AN ACT Relating to health professions; amending RCW 18.130.050,
- 2 18.130.060, 18.130.080, 18.130.090, 18.130.170, 18.130.172, and
- 3 70.41.210; adding a new section to chapter 18.130 RCW; and prescribing
- 4 penalties.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 18.130.050 and 2006 c 99 s 4 are each amended to read 7 as follows:
  - The disciplining authority has the following authority:
- 9 (1) To adopt, amend, and rescind such rules as are deemed necessary 10 to carry out this chapter;
- 11 (2) To ((investigate)) provide consultation and assistance with
- 12 <u>investigations of</u> all complaints or reports of unprofessional conduct
- 13 as defined in this chapter as requested by the secretary and to hold
- 14 hearings as provided in this chapter. If the secretary determines that
- 15 <u>the complaint involves standards of practice or that clinical expertise</u>
- 16 is necessary, the secretary shall assure that the board or commission
- 17 <u>is actively involved in the investigation;</u>
- 18 (3) To issue subpoenas and administer oaths in connection with any
- 19 investigation, hearing, or proceeding held under this chapter;

p. 1 HB 1103

- 1 (4) To take or cause depositions to be taken and use other 2 discovery procedures as needed in any investigation, hearing, or 3 proceeding held under this chapter;
  - (5) To compel attendance of witnesses at hearings;

- (6) In the course of ((investigating)) consulting and assisting with the investigation of a complaint or report of unprofessional conduct, to conduct practice reviews as requested by the secretary;
- (7) ((To take emergency action ordering summary suspension of a license, or restriction or limitation of the license holder's practice pending proceedings by the disciplining authority. Consistent with RCW 18.130.370, a disciplining authority shall issue a summary suspension of the license or temporary practice permit of a license holder prohibited from practicing a health care profession in another state, federal, or foreign jurisdiction because of an act of unprofessional conduct that is substantially equivalent to an act of unprofessional conduct prohibited by this chapter or any of the chapters specified in RCW 18.130.040. The summary suspension remains in effect until proceedings by the Washington disciplining authority have been completed;
- (8))) To use a presiding officer as authorized in RCW 18.130.095(3) or the office of administrative hearings as authorized in chapter 34.12 RCW to conduct hearings. The disciplining authority shall make the final decision regarding disposition of the license unless the disciplining authority elects to delegate in writing the final decision to the presiding officer;
- $((\frac{9}{}))$  (8) To use individual members of the boards to  $(\frac{direct}{})$  provide consultation and assistance with investigations as requested by the secretary. However, the member of the board shall not subsequently participate in the hearing of the case;
- (((10))) To enter into contracts for professional services determined to be necessary for adequate enforcement of this chapter;
- $((\frac{11}{11}))$  (10) To contract with licensees or other persons or organizations to provide services necessary for the monitoring and supervision of licensees who are placed on probation, whose professional activities are restricted, or who are for any authorized purpose subject to monitoring by the disciplining authority;
- $((\frac{(12)}{(12)}))$  (11) To adopt standards of professional conduct or 38 practice;

((\(\frac{(13)}{13}\))) (12) To grant or deny license applications, and in the event of a finding of unprofessional conduct by an applicant or license holder, to impose any sanction against a license applicant or license holder provided by this chapter;

 $((\frac{14}{14}))$  (13) To designate individuals authorized to sign subpoenas and statements of charges;

- $((\frac{15}{15}))$  (14) To establish panels consisting of three or more members of the board to perform any duty or authority within the board's jurisdiction under this chapter;
- $((\frac{16}{16}))$  (15) To review and audit the records of licensed health facilities' or services' quality assurance committee decisions in which a licensee's practice privilege or employment is terminated or restricted. Each health facility or service shall produce and make accessible to the disciplining authority the appropriate records and otherwise facilitate the review and audit. Information so gained shall not be subject to discovery or introduction into evidence in any civil action pursuant to RCW 70.41.200(3).
- **Sec. 2.** RCW 18.130.060 and 2006 c 99 s 1 are each amended to read 19 as follows:

In addition to the authority specified in RCW 18.130.050, the secretary has the following additional authority:

- (1) To employ such investigative, administrative, and clerical staff as necessary for the enforcement of this chapter;
- (2) Upon the request of a board <u>or commission</u>, to appoint pro tem members to participate as members of a panel of the board <u>or commission</u> in connection with proceedings specifically identified in the request. Individuals so appointed must meet the same minimum qualifications as regular members of the board <u>or commission</u>. Pro tem members appointed for matters under this chapter are appointed for a term of no more than one year. No pro tem member may serve more than four one-year terms. While serving as board <u>or commission</u> members pro tem, persons so appointed have all the powers, duties, and immunities, and are entitled to the emoluments, including travel expenses in accordance with RCW 43.03.050 and 43.03.060, of regular members of the board <u>or commission</u>. The chairperson of a panel shall be a regular member of the board <u>or commission</u> appointed by the board <u>or commission</u> chairperson. Panels have authority to act as directed by the board <u>or commission</u> with

p. 3 HB 1103

- respect to ((all matters concerning the review, investigation, and 1 2 adjudication of)) all complaints, allegations, charges, and matters subject to the jurisdiction of the board or commission and within the 3 authority of the board or commission. The authority to act through 4 panels does not restrict the authority of the board or commission to 5 act as a single body at any phase of proceedings within the board's or 6 7 commission's jurisdiction. Board or commission panels may make interim orders and issue final decisions with respect to matters and cases 8 delegated to the panel by the board or commission. Final decisions may 9 10 be appealed as provided in chapter 34.05 RCW, the administrative procedure act; 11
  - (3) To establish fees to be paid for witnesses, expert witnesses, and consultants used in any investigation and to establish fees to witnesses in any agency adjudicative proceeding as authorized by RCW 34.05.446;
  - (4) To conduct investigations and practice reviews ((at the direction of the disciplining authority)) and to issue subpoenas, administer oaths, and take depositions in the course of conducting those investigations and practice reviews ((at the direction of the disciplining authority)). The secretary may request the consultation and assistance of the appropriate disciplining authority, and where standards of practice or clinical expertise is necessary, the secretary shall assure that the board or commission is actively involved in the investigation;
  - (5) To review results of investigations conducted under this chapter and determine the appropriate disposition, which may include closure, notice of correction, stipulations permitted by RCW 18.130.172, or issuance of a statement of charges;
- (6) To take emergency action ordering summary suspension of a 29 license, or restriction or limitation of the license holder's practice 30 pending proceedings by the disciplining authority. Consistent with RCW 31 18.130.370, the secretary shall issue a summary suspension of the 32 license or temporary practice permit of a license holder prohibited 33 from practicing a health care profession in another state, federal, or 34 35 foreign jurisdiction because of an act of unprofessional conduct that 36 is substantially equivalent to an act of unprofessional conduct 37 prohibited by this chapter or any of the chapters specified in RCW

HB 1103 p. 4

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1 18.130.040. The summary suspension remains in effect until proceedings 2 by the Washington disciplining authority have been completed;

(7) To have the health professions regulatory program establish a system to recruit potential public members, to review the qualifications of such potential members, and to provide orientation to those public members appointed pursuant to law by the governor or the secretary to the boards and commissions specified in RCW 18.130.040(2)(b), and to the advisory committees and councils for professions specified in RCW 18.130.040(2)(a); and

 $((\frac{6}{}))$  (8) To adopt rules, in consultation with the disciplining authorities, requiring every license holder to report information identified in RCW 18.130.070.

- **Sec. 3.** RCW 18.130.080 and 2006 c 99 s 5 are each amended to read 14 as follows:
  - (1) ((A person, including but not limited to consumers, licensees, corporations, organizations, health care facilities, impaired practitioner programs, or voluntary substance abuse monitoring programs approved by disciplining authorities, and state and local governmental agencies,)) (a) An individual may submit a written complaint to the ((disciplining authority)) secretary charging a license holder or applicant with unprofessional conduct and specifying the grounds therefor or to report information to the ((disciplining authority)) secretary, or voluntary substance abuse monitoring program, or an impaired practitioner program approved by the disciplining authority, which indicates that the license holder may not be able to practice his or her profession with reasonable skill and safety to consumers as a result of a mental or physical condition.
  - (b) Every license holder, corporation, organization, health care facility, impaired practitioner program, or voluntary substance abuse monitoring program approved by a disciplining authority, and state and local governmental agency having knowledge that a license holder or applicant has engaged in unprofessional conduct or having information that indicates that the license holder may not be able to practice his or her profession with reasonable skill and safety to consumers as a result of a mental or physical condition must promptly submit a written report to the secretary specifying the nature of the concerns and the facts supporting the assertions.

p. 5 HB 1103

(2) If the ((disciplining authority)) secretary determines that ((the)) a complaint submitted under subsection (1) of this section merits investigation, or if the ((disciplining authority)) secretary has reason to believe, without a formal complaint, that a license holder or applicant may have engaged in unprofessional conduct, the ((disciplining authority)) secretary shall investigate to determine whether there has been unprofessional conduct. In determining whether or not to investigate, the ((disciplining authority)) secretary shall consider any prior complaints received by the ((disciplining authority)) secretary, any prior findings of fact under RCW 18.130.110, any stipulations to informal disposition under RCW 18.130.172, and any comparable action taken by other state disciplining authorities.

- ((\(\frac{(2)}{2}\)) (3) Notwithstanding subsection ((\(\frac{1}{1}\))) (2) of this section,
  the ((\(\frac{disciplining}{authority}\)) secretary shall initiate an
  investigation in every instance where:
  - (a) The ((disciplining authority)) secretary receives information that a health care provider has been disqualified from participating in the federal medicare program, under Title XVIII of the federal social security act, or the federal medicaid program, under Title XIX of the federal social security act; or
  - (b) There is a pattern of complaints, arrests, adverse actions by employers, or other actions that may not have resulted in a formal adjudication of wrongdoing, but when considered together demonstrate a pattern of behavior that, without investigation, may pose a risk to the safety of the license holder's patients.
  - (4) Failure of an entity to submit a mandatory report to the secretary under subsection (1)(b) of this section is punishable by a civil penalty not to exceed one thousand dollars and constitutes unprofessional conduct.
- 30 (5) If a report has been made by a hospital to the department under 31 RCW 70.41.210, a report to the secretary under subsection (1)(b) of 32 this section is not required.
- $((\frac{3}{3}))$  (6) A person who files a complaint or reports information under this section in good faith is immune from suit in any civil action related to the filing or contents of the complaint.
- **Sec. 4.** RCW 18.130.090 and 1993 c 367 s 1 are each amended to read 37 as follows:

- (1) If the ((disciplining authority)) secretary determines, upon 1 2 investigation, that there is reason to believe a violation of RCW 18.130.180 has occurred, a statement of charge or charges shall be 3 prepared and served upon the license holder or applicant at the 4 earliest practical time. The statement of charge or charges shall be 5 accompanied by a notice that the license holder or applicant may 6 7 request a hearing to contest the charge or charges. The license holder or applicant must file a request for hearing with the disciplining 8 authority within twenty days after being served the statement of 9 10 If the twenty-day limit results in a hardship upon the license holder or applicant, he or she may request for good cause an 11 12 extension not to exceed sixty additional days. If the disciplining 13 authority finds that there is good cause, it shall grant the extension. 14 The failure to request a hearing constitutes a default, whereupon the disciplining authority may enter a decision on the basis of the facts 15 16 available to it.
- 17 (2) If a hearing is requested, the time of the hearing shall be 18 fixed by the disciplining authority as soon as convenient, but the 19 hearing shall not be held earlier than thirty days after service of the 20 charges upon the license holder or applicant.
- 21 **Sec. 5.** RCW 18.130.170 and 1995 c 336 s 8 are each amended to read 22 as follows:

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- (1) If the ((disciplining authority)) secretary believes a license holder or applicant may be unable to practice with reasonable skill and safety to consumers by reason of any mental or physical condition, a statement of charges in the name of the ((disciplining authority)) secretary shall be served on the license holder or applicant and notice shall also be issued providing an opportunity for a hearing. The hearing shall be limited to the sole issue of the capacity of the license holder or applicant to practice with reasonable skill and safety. If the disciplining authority determines that the license holder or applicant is unable to practice with reasonable skill and safety for one of the reasons stated in this subsection, the disciplining authority shall impose such sanctions under RCW 18.130.160 as is deemed necessary to protect the public.
- (2)(a) In investigating or adjudicating a complaint or report that a license holder or applicant may be unable to practice with reasonable

p. 7 HB 1103

skill or safety by reason of any mental or physical condition, the ((disciplining authority)) secretary may require a license holder or applicant to submit to a mental or physical examination by one or more or certified health professionals designated by licensed ((disciplining authority)) secretary. The license holder or applicant shall be provided written notice of the ((disciplining authority's)) secretary's intent to order a mental or physical examination, which notice shall include: (i) A statement of the specific conduct, event, or circumstances justifying an examination; (ii) a summary of the evidence supporting the ((disciplining authority's)) secretary's concern that the license holder or applicant may be unable to practice with reasonable skill and safety by reason of a mental or physical condition, and the grounds for believing such evidence to be credible and reliable; (iii) a statement of the nature, purpose, scope, and content of the intended examination; (iv) a statement that the license holder or applicant has the right to respond in writing within twenty days to challenge the ((disciplining authority's)) secretary's grounds for ordering an examination or to challenge the manner or form of the examination; and (v) a statement that if the license holder or applicant timely responds to the notice of intent, then the license holder or applicant will not be required to submit to the examination while the response is under consideration.

(b) Upon submission of a timely response to the notice of intent to order a mental or physical examination, the license holder or applicant shall have an opportunity to respond to or refute such an order by submission of evidence or written argument or both. The evidence and written argument supporting and opposing the mental or physical examination shall be reviewed by either a panel of the disciplining authority members who have not been involved with the allegations against the license holder or applicant or a neutral decision maker approved by the disciplining authority. The reviewing panel of the disciplining authority or the approved neutral decision maker may, in its discretion, ask for oral argument from the parties. The reviewing panel of the disciplining authority or the approved neutral decision maker shall prepare a written decision as to whether: There is reasonable cause to believe that the license holder or applicant may be unable to practice with reasonable skill and safety by reason of a

HB 1103 p. 8

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mental or physical condition, or the manner or form of the mental or physical examination is appropriate, or both.

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- (c) Upon receipt by the ((disciplining authority)) secretary of the written decision, or upon the failure of the license holder or applicant to timely respond to the notice of intent, the ((disciplining authority)) secretary may issue an order requiring the license holder or applicant to undergo a mental or physical examination. All such mental or physical examinations shall be narrowly tailored to address only the alleged mental or physical condition and the ability of the license holder or applicant to practice with reasonable skill and safety. An order of the ((disciplining authority)) secretary requiring the license holder or applicant to undergo a mental or physical examination is not a final order for purposes of appeal. The cost of the examinations ordered by the ((disciplining authority)) secretary shall be paid out of the health professions account. In addition to any examinations ordered by the ((disciplining authority)) secretary, ((licensee)) <u>license holder</u> may submit physical or examination reports from licensed or certified health professionals of the license holder's or applicant's choosing and expense.
- (d) If the disciplining authority finds that a license holder or applicant has failed to submit to a properly ordered mental or physical examination, then the disciplining authority may order appropriate action or discipline under RCW 18.130.180(9), unless the failure was due to circumstances beyond the person's control. However, no such action or discipline may be imposed unless the license holder or applicant has had the notice and opportunity to challenge the ((disciplining authority's)) secretary's grounds for ordering the examination, to challenge the manner and form, to assert any other defenses, and to have such challenges or defenses considered by either a panel of the disciplining authority members who have not been involved with the allegations against the license holder or applicant or a neutral decision maker approved by the disciplining authority, as previously set forth in this section. Further, the action or discipline ordered by the disciplining authority shall not be more severe than a suspension of the license, certification, registration or application until such time as the license holder or applicant complies with the properly ordered mental or physical examination.

p. 9 HB 1103

(e) Nothing in this section shall restrict the power of ((a disciplining authority)) the secretary to act in an emergency under RCW 34.05.422(4), 34.05.479, and ((18.130.050(7))) 18.130.060(6).

- (f) A determination by a court of competent jurisdiction that a license holder or applicant is mentally incompetent or ((mentally ill)) an individual with mental illness is presumptive evidence of the license holder's or applicant's inability to practice with reasonable skill and safety. An individual affected under this section shall at reasonable intervals be afforded an opportunity, at his or her expense, to demonstrate that the individual can resume competent practice with reasonable skill and safety to the consumer.
- (3) For the purpose of subsection (2) of this section, an applicant or license holder governed by this chapter, by making application, practicing, or filing a license renewal, is deemed to have given consent to submit to a mental, physical, or psychological examination when directed in writing by the ((disciplining authority)) secretary and further to have waived all objections to the admissibility or use of the examining health professional's testimony or examination reports by the ((disciplining authority)) secretary on the ground that the testimony or reports constitute privileged communications.
- **Sec. 6.** RCW 18.130.172 and 2000 c 171 s 29 are each amended to 22 read as follows:
  - (1) Prior to serving a statement of charges under RCW 18.130.090 or 18.130.170, the ((disciplinary authority)) secretary may furnish a statement of allegations to the licensee or applicant along with a detailed summary of the evidence relied upon to establish the allegations and a proposed stipulation for informal resolution of the allegations. These documents shall be exempt from public disclosure until such time as the allegations are resolved either by stipulation or otherwise.
  - (2) The ((disciplinary)) disciplining authority and the applicant or licensee may stipulate that the allegations may be disposed of informally in accordance with this subsection. The stipulation shall contain a statement of the facts leading to the filing of the complaint; the act or acts of unprofessional conduct alleged to have been committed or the alleged basis for determining that the applicant or licensee is unable to practice with reasonable skill and safety; a

- statement that the stipulation is not to be construed as a finding of 1 2 unprofessional conduct or inability to practice; acknowledgement that a finding of unprofessional conduct or inability 3 to practice, if proven, constitutes grounds for discipline under this 4 5 chapter; and an agreement on the part of the licensee or applicant that the sanctions set forth in RCW 18.130.160, except RCW 18.130.160 (1), 6 7 (2), (6), and (8), may be imposed as part of the stipulation, except that no fine may be imposed but the licensee or applicant may agree to 8 reimburse the ((disciplinary authority)) secretary the costs 9 10 investigation and processing the complaint up to an amount not exceeding one thousand dollars per allegation; and an agreement on the 11 12 part of the ((disciplinary)) disciplining authority to forego further 13 disciplinary proceedings concerning the allegations. A stipulation 14 entered into pursuant to this subsection shall not be considered formal 15 disciplinary action.
  - (3) If the licensee or applicant declines to agree to disposition of the charges by means of a stipulation pursuant to subsection (2) of this section, the ((disciplinary authority)) secretary may proceed to formal disciplinary action pursuant to RCW 18.130.090 or 18.130.170.

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- (4) Upon execution of a stipulation under subsection (2) of this section by both the licensee or applicant and the ((disciplinary)) disciplining authority, the complaint is deemed disposed of and shall become subject to public disclosure on the same basis and to the same extent as other records of the ((disciplinary)) disciplining authority. Should the licensee or applicant fail to pay any agreed reimbursement within thirty days of the date specified in the stipulation for payment, the ((disciplinary authority)) secretary may seek collection of the amount agreed to be paid in the same manner as enforcement of a fine under RCW 18.130.165.
- 30 **Sec. 7.** RCW 70.41.210 and 2005 c 470 s 1 are each amended to read 31 as follows:
  - (1) The chief administrator or executive officer of a hospital shall report to the department when the practice of a health care practitioner as defined in subsection (2) of this section is restricted, suspended, limited, or terminated based upon a conviction, determination, or finding by the hospital that the health care practitioner has committed an action defined as unprofessional conduct

p. 11 HB 1103

under RCW 18.130.180. The chief administrator or executive officer shall also report any voluntary restriction or termination of the practice of a health care practitioner as defined in subsection (2) of this section while the practitioner is under investigation or the subject of a proceeding by the hospital regarding unprofessional conduct, or in return for the hospital not conducting such an investigation or proceeding or not taking action. The department will forward the report to the appropriate disciplining authority.

- (2) The reporting requirements apply to the following health care practitioners: Pharmacists as defined in chapter 18.64 RCW; advanced registered nurse practitioners as defined in chapter 18.79 RCW; dentists as defined in chapter 18.32 RCW; naturopaths as defined in chapter 18.36A RCW; optometrists as defined in chapter 18.53 RCW; osteopathic physicians and surgeons as defined in chapter 18.57 RCW; osteopathic ((physician [physicians'])) physicians' assistants as defined in chapter 18.57A RCW; physicians as defined in chapter 18.71 RCW; physician assistants as defined in chapter 18.71A RCW; podiatric physicians and surgeons as defined in chapter 18.22 RCW; and psychologists as defined in chapter 18.83 RCW.
- (3) Reports made under subsection (1) of this section shall be made within fifteen days of the date: (a) A conviction, determination, or finding is made by the hospital that the health care practitioner has committed an action defined as unprofessional conduct under RCW 18.130.180; or (b) the voluntary restriction or termination of the practice of a health care practitioner, including his or her voluntary resignation, while under investigation or the subject of proceedings regarding unprofessional conduct under RCW 18.130.180 is accepted by the hospital.
- (4) Failure of a hospital to comply with this section is punishable by a civil penalty not to exceed  $((\frac{\text{two hundred fifty}}))$  one thousand dollars.
- (5) A hospital, its chief administrator, or its executive officer who files a report under this section is immune from suit, whether direct or derivative, in any civil action related to the filing or contents of the report, unless the conviction, determination, or finding on which the report and its content are based is proven to not have been made in good faith. The prevailing party in any action

brought alleging the conviction, determination, finding, or report was not made in good faith, shall be entitled to recover the costs of litigation, including reasonable attorneys' fees.

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- (6) The department shall forward reports made under subsection (1) 4 5 of this section to the appropriate disciplining authority designated under Title 18 RCW within fifteen days of the date the report is 6 7 received by the department. The department shall notify a hospital that has made a report under subsection (1) of this section of the 8 results of the disciplining authority's case disposition decision 9 within fifteen days after the case disposition. Case disposition is 10 the decision whether to issue a statement of charges, take informal 11 12 action, or close the complaint without action against a practitioner. 13 In its biennial report to the legislature under RCW 18.130.310, the 14 department shall specifically identify the case dispositions of reports made by hospitals under subsection (1) of this section. 15
- 16 (7) The department shall not increase hospital license fees to 17 carry out this section before July 1, 2007.
- NEW SECTION. Sec. 8. A new section is added to chapter 18.130 RCW to read as follows:

Any license holder performing a gynecological examination or procedure must ensure that a second individual is in the room where the examination or procedure is being conducted, unless the patient signs a written waiver of the right while the patient is competent to sign such a waiver.

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p. 13 HB 1103