

SSB 6265 - S AMD 488

By Senators Becker, Pedersen, Dammeier, Frockt, Rivers

ADOPTED 02/18/2014

1 On page 2, after line 13, insert the following:

2 "Sec. 2. RCW 43.70.052 and 2012 c 98 s 1 are each amended to read  
3 as follows:

4 (1) To promote the public interest consistent with the purposes of  
5 chapter 492, Laws of 1993 as amended by chapter 267, Laws of 1995, the  
6 department shall continue to require hospitals to submit hospital  
7 financial and patient discharge information, which shall be collected,  
8 maintained, analyzed, and disseminated by the department. The  
9 department shall, if deemed cost-effective and efficient, contract with  
10 a private entity for any or all parts of data collection. Data  
11 elements shall be reported in conformance with a uniform reporting  
12 system established by the department. This includes data elements  
13 identifying each hospital's revenues, expenses, contractual allowances,  
14 charity care, bad debt, other income, total units of inpatient and  
15 outpatient services, and other financial and employee compensation  
16 information reasonably necessary to fulfill the purposes of this  
17 section. Data elements relating to use of hospital services by  
18 patients shall be the same as those currently compiled by hospitals  
19 through inpatient discharge abstracts. The department shall encourage  
20 and permit reporting by electronic transmission or hard copy as is  
21 practical and economical to reporters.

22 (2) In identifying financial reporting requirements, the department  
23 may require both annual reports and condensed quarterly reports from  
24 hospitals, so as to achieve both accuracy and timeliness in reporting,  
25 but shall craft such requirements with due regard of the data reporting  
26 burdens of hospitals.

27 (3)(a) Beginning with compensation information for 2012, unless a  
28 hospital is operated on a for-profit basis, the department shall  
29 require a hospital licensed under chapter 70.41 RCW to annually submit  
30 employee compensation information. To satisfy employee compensation

1 reporting requirements to the department, a hospital shall submit  
2 information as directed in (a)(i) or (ii) of this subsection. A  
3 hospital may determine whether to report under (a)(i) or (ii) of this  
4 subsection for purposes of reporting.

5 (i) Within one hundred thirty-five days following the end of each  
6 hospital's fiscal year, a nonprofit hospital shall file the appropriate  
7 schedule of the federal internal revenue service form 990 that  
8 identifies the employee compensation information with the department.  
9 If the lead administrator responsible for the hospital or the lead  
10 administrator's compensation is not identified on the schedule of form  
11 990 that identifies the employee compensation information, the hospital  
12 shall also submit the compensation information for the lead  
13 administrator as directed by the department's form required in (b) of  
14 this subsection.

15 (ii) Within one hundred thirty-five days following the end of each  
16 hospital's calendar year, a hospital shall submit the names and  
17 compensation of the five highest compensated employees of the hospital  
18 who do not have any direct patient responsibilities. Compensation  
19 information shall be reported on a calendar year basis for the calendar  
20 year immediately preceding the reporting date. If those five highest  
21 compensated employees do not include the lead administrator for the  
22 hospital, compensation information for the lead administrator shall  
23 also be submitted. Compensation information shall include base  
24 compensation, bonus and incentive compensation, other payments that  
25 qualify as reportable compensation, retirement and other deferred  
26 compensation, and nontaxable benefits.

27 (b) To satisfy the reporting requirements of this subsection (3),  
28 the department shall create a form and make it available no later than  
29 August 1, 2012. To the greatest extent possible, the form shall follow  
30 the format and reporting requirements of the portion of the internal  
31 revenue service form 990 schedule relating to compensation information.  
32 If the internal revenue service substantially revises its schedule, the  
33 department shall update its form.

34 (4) The health care data collected, maintained, and studied by the  
35 department shall only be available for retrieval in original or  
36 processed form to public and private requestors pursuant to subsection  
37 (7) of this section and shall be available within a reasonable period  
38 of time after the date of request. The cost of retrieving data for

1 state officials and agencies shall be funded through the state general  
2 appropriation. The cost of retrieving data for individuals and  
3 organizations engaged in research or private use of data or studies  
4 shall be funded by a fee schedule developed by the department that  
5 reflects the direct cost of retrieving the data or study in the  
6 requested form.

7 (5) The department shall, in consultation and collaboration with  
8 the federally recognized tribes, urban or other Indian health service  
9 organizations, and the federal area Indian health service, design,  
10 develop, and maintain an American Indian-specific health data,  
11 statistics information system. (~~The department rules regarding~~  
12 ~~confidentiality shall apply to safeguard the information from~~  
13 ~~inappropriate use or release.~~)

14 (6) All persons subject to the data collection requirements of this  
15 section shall comply with departmental requirements established by rule  
16 in the acquisition of data.

17 (7) The department must maintain the confidentiality of patient  
18 discharge data it collects under subsection (1) of this section.  
19 Patient discharge data that includes direct and indirect identifiers is  
20 not subject to public inspection and the department may only release  
21 such data as allowed for in this section. Any agency that receives  
22 patient discharge data under (a) or (b) of this subsection must also  
23 maintain the confidentiality of the data and may not release the data  
24 except as consistent with subsection (8)(b) of this section. The  
25 department may release the data as follows:

26 (a) Data that includes direct and indirect patient identifiers, as  
27 specifically defined in rule, may be released to:

28 (i) Federal, state, and local government agencies upon receipt of  
29 a signed data use agreement with the department; and

30 (ii) Researchers with approval of the Washington state  
31 institutional review board upon receipt of a signed confidentiality  
32 agreement with the department.

33 (b) Data that does not contain direct patient identifiers but may  
34 contain indirect patient identifiers may be released to agencies,  
35 researchers, and other persons upon receipt of a signed data use  
36 agreement with the department.

37 (c) Data that does not contain direct or indirect patient  
38 identifiers may be released on request.

1       (8) Recipients of data under subsection (7)(a) and (b) of this  
2 section must agree in a written data use agreement, at a minimum, to:  
3       (a) Take steps to protect direct and indirect patient identifying  
4 information as described in the data use agreement; and  
5       (b) Not re-disclose the data except as authorized in their data use  
6 agreement consistent with the purpose of the agreement.  
7       (9) Recipients of data under subsection (7)(b) and (c) of this  
8 section must not attempt to determine the identity of persons whose  
9 information is included in the data set or use the data in any manner  
10 that identifies individuals or their families.  
11       (10) For the purposes of this section:  
12       (a) "Direct patient identifier" means information that identifies  
13 a patient; and  
14       (b) "Indirect patient identifier" means information that may  
15 identify a patient when combined with other information.  
16       (11) The department must adopt rules necessary to carry out its  
17 responsibilities under this section. The department must consider  
18 national standards when adopting rules."  
19       Renumber the remaining section consecutively.

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20       On page 1, line 2 of the title, after "70.02.290" insert "and  
21 43.70.052"

**EFFECT:** Requires the Department of Health to maintain the confidentiality of patient discharge data it collects. Exempts patient discharge data that includes direct and indirect identifiers from public inspection.

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