
Health Care & Wellness Committee

SSB 5778

Brief Description: Concerning ambulatory surgical facilities.

Sponsors: Senate Committee on Health Care (originally sponsored by Senators Becker, Frockt, Keiser, Bailey, Dammeier, Liias, Hatfield, Angel, Dansel, King, Baumgartner, Brown, Cleveland, Warnick, Honeyford, Parlette, Hill, Rivers, Fain, Braun, Litzow, Conway, Sheldon, Ericksen and Hewitt).

Brief Summary of Substitute Bill

- Limits the amount that a fee for an ambulatory surgical facility may increase to no more than the lesser of three percent of the current fee or the rate of inflation.
- Requires third party payors to accept the survey results of an ambulatory surgical facility if the survey was conducted pursuant to certification by the federal Centers for Medicare and Medicaid Services or an accrediting organization.

Hearing Date: 2/23/16

Staff: Chris Blake (786-7392).

Background:

An ambulatory surgical facility is an entity that provides outpatient surgical services for patients who are discharged within 24 hours of admission and do not require inpatient hospitalization.

Ambulatory surgical facilities are licensed by the Department of Health (Department) on a three-year renewal cycle. Requirements for an applicant to become licensed as an ambulatory surgical facility include submitting a written application, submitting building plans for any new construction or alterations, meeting on-site survey requirements, submitting proof of operation of a coordinated quality improvement program, submitting a copy of a facility safety and emergency training program, and paying a fee.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

An ambulatory surgical facility must be surveyed every 18 months by the Department. An ambulatory surgical facility may be deemed to have met the survey requirement if it successfully completed a Department survey in the previous 18 months and it submits proof of certification as a Medicare ambulatory surgical facility or accreditation by an organization with substantially equivalent survey standards as the Department. Approved accrediting organizations include the Joint Commission, the Accreditation Association for Ambulatory Health Care, the American Association for Accreditation of Ambulatory Surgery Facilities, or the Centers for Medicare and Medicaid Services.

Fees for ambulatory surgical facility licenses are tiered according to the number of surgical procedures performed annually and whether the ambulatory surgical facility is accredited, certified by CMS, or only licensed by the Department. At the low end of the scale, an ambulatory surgical facility that performs 1,000 surgical procedures annually or less and is accredited must pay \$3,630 every three years for a license. At the top of the scale, an ambulatory surgical facility that performs more than 5,000 surgical procedures annually and is only licensed by the Department must pay \$10,068 every three years for a license.

Summary of Bill:

An exception to the policy that the Department of Health (Department) establish fees for health professions, occupations, and businesses at a level that defrays the cost associated with regulation is made for ambulatory surgical facilities. Fees for ambulatory surgical facilities may not increase beyond the lesser of three percent of the current fee or the rate of inflation. The applicable rate of inflation is the Consumer Price Index for the Seattle Washington area as determined by the Bureau of Labor Statistics of the United States Department of Labor. The Ambulatory Surgical Facility Account is eliminated.

Ambulatory surgical facilities may not be surveyed more than every 18 months. The exemption from a Department survey for ambulatory surgical facilities that have been surveyed by the Department in the previous 18 months and are accredited by the federal Centers for Medicare and Medicaid Services (CMS) or an approved organization is restated to clarify that the ambulatory surgical facility may not be surveyed more than every 36 months if CMS or an accrediting organization survey occurred within 18 months of a Department survey. Ambulatory surgical facilities are no longer required to provide evidence of certification or accreditation to the Department. Ambulatory surgical facilities no longer have to make written reports of surveys related to Medicare certification or accreditation by an organization available to the Department.

If a third party payor, such as a carrier or managed health care system, requires that a licensed ambulatory surgical facility complete a survey as part of a contract, the survey requirement must be deemed as having been met if the ambulatory surgical facility successfully completed a survey pursuant to a CMS certification or by an accrediting organization. The third party payor may not impose additional requirements on the ambulatory surgical facility.

Appropriation: None.

Fiscal Note: Available.

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