

# SENATE BILL REPORT

## SB 5453

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As of February 3, 2016

**Title:** An act relating to establishing extended stay recovery centers.

**Brief Description:** Establishing extended stay recovery centers.

**Sponsors:** Senators Becker, Frockt, Bailey, Jayapal, Chase and McAuliffe.

**Brief History:**

**Committee Activity:** Health Care: 2/05/15. [DPF, DNP, w/oRec].

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### SENATE COMMITTEE ON HEALTH CARE

**Staff:** Evan Klein (786-7483)

**Background:** Ambulatory surgical facilities are defined as any distinct entities with the primary purpose of providing outpatient surgical services in which patients are discharged within 24 hours and do not require inpatient hospitalization. Licensed ambulatory surgical facilities must have facility safety and emergency training programs in place, which must include written transfer agreements with local hospitals. If a patient at an ambulatory surgical facility encounters complications or otherwise requires inpatient care following their surgery, they must be transferred to a hospital.

Currently, both Medicare and Medicaid do not cover surgeries at ambulatory surgical facilities if the surgery requires an overnight stay.

Washington does not currently license or permit the operation of extended stay recovery centers or other overnight recovery centers associated specifically with an ambulatory surgical facility.

**Summary of Bill:** The bill as referred to committee not considered.

**Summary of Bill (Proposed Substitute):** Postsurgical recovery care centers are established under the regulation of the Department of Health.

Postsurgical recovery care centers are defined as designated sites that provide medical and nursing services limited to recovery care services. Postsurgical recovery care centers can be freestanding or a defined unit of an ambulatory surgical facility. Recovery care services are

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post-surgical and post-diagnostic medical and nursing services provided to patients for whom, in the opinion of an attending physician, it is reasonable to expect an uncomplicated recovery, and whom are not expected to require intensive care services, cardiac care services, or critical care services. Recovery care services does not include surgical services, radiological services, or obstetrical services.

Ambulatory surgical facilities may offer recovery care services in postsurgical recovery care centers. Postsurgical recovery care centers and ambulatory surgical facilities that add a postsurgical recovery care center, are not subject to the certificate of need review.

Patients may stay in a postsurgical recovery care center for a maximum of 72 hours. If a patient requires care beyond the expiration of the 72-hour limit, the patient must be transferred to an appropriate facility. Postsurgical care centers must maintain contractual relationships and transfer agreements with a general acute care hospital.

A postsurgical recovery care center must be no larger than six beds.

**Appropriation:** None.

**Fiscal Note:** Available.

[OFM requested ten-year cost projection pursuant to I-960.]

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This bill will help people who don't need or want to end up in a hospital save money. These types of centers are currently available in Colorado, Arizona, Ohio, and Texas. They help lower costs and improve clinical outcomes for patients. Hospitals are much more expensive than ambulatory surgery centers (ASCs). There is less risk of infection at ASCs than at hospitals. ASCs already have similar safety standards as do hospitals performing similar procedures.

CON: This would essentially remove federal and state safety and quality regulations for inpatient surgery facilities. ASCs do not have the same safeguards in place as hospitals and this bill is unclear whether the extended care centers would have to report outcome measures at the same level as hospitals. There are legitimate safety concerns associated with allowing patients to stay overnight in these facilities after surgery without emergency care units and other services available. These centers would not be equipped to handle serious complications that may occur. Specialty hospitals already exist and are a better fit for these types of limited inpatient services.

OTHER: There is a need to ensure safe and quality access to care. This concept is intriguing, but the Department of Health would need to review the model further to address infection control, construction standards, and standard of care concerns.

**Persons Testifying:** PRO: Senator Becker, prime sponsor; Barb Hardes, Orthopaedic & Spine Center of the Rockies; Brent Ashby, Colorado Ambulatory Surgery Center Assn.; April

Gibson, WA Ambulatory Surgery Center Assn., Proliance; Emily Studebaker, WA Ambulatory Surgery Center Assn.

CON: Lisa Thatcher, Kathryn Beattie, WA State Hospital Assn.; Lisa Melchiorre, Catholic Health Initiatives Franciscan Health.

OTHER: Martin Mueller, WA Dept. of Health.

**Persons Signed In To Testify But Not Testifying:** No one.