

SENATE BILL REPORT

SB 5778

As of February 9, 2015

Title: An act relating to ambulatory surgical facilities.

Brief Description: Concerning ambulatory surgical facilities.

Sponsors: 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 History:

Committee Activity: Health Care: 2/09/15.

SENATE COMMITTEE ON HEALTH CARE

Staff: Kathleen Buchli (786-7488)

Background: Ambulatory surgical facilities are any distinct entity that operates for the primary purpose of providing specialty or multispecialty outpatient surgical services in which patients are admitted to and discharged from the facility within 24 hours and do not require inpatient hospitalization. Ambulatory surgical facilities are licensed by the Department of Health (DOH) which establishes initial and renewal license fees, change of ownership fees, and late fees.

DOH must survey ambulatory surgical facilities every 18 months, which must include an inspection of the facility. A survey performed pursuant to Medicare certification or by an approved accrediting organization may substitute for a survey by DOH if DOH has completed a survey of the ambulatory surgical facility within the previous 18 months and the facility provides evidence of a successful survey within 30 days of learning the results of the survey.

Summary of Bill: A survey performed pursuant to Medicare certification or by an approved accrediting organization may substitute for a DOH survey without the requirement that DOH complete a survey within the last 18 months. Ambulatory surgical facilities that do not meet survey standards must pay an inspection fee to DOH unless the facility submits proof of certification as a Medicare ambulatory surgical facility or accreditation by an organization that DOH determines has substantially equivalent survey standards to those of DOH.

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.

DOH must convene a stakeholder group to establish a fee schedule for licenses and renewal licenses. Fee recommendations must be complete by December 15, 2015. Until that time, DOH may not increase current license or renewal fees.

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: Ambulatory surgical facility fees in this state are among the highest in the nation. The process needs to be made more efficient. The majority of ambulatory surgical facilities are licensed and certified by Medicare and other organizations that have the same standards as DOH. We are concerned about the inspection fee which should be included as a topic to be discussed by the workgroup.

OTHER: The bill removes the current requirements on DOH 18-month on-site surveys which are alternated with other surveys. In the current form, the DOH surveys could end and DOH would not survey these facilities at all. It would affect the state's ability to implement the state licensure program. DOH has encountered cash flow issues relating to the fee structure and fees being placed into a dedicated account. We have ideas for shifting fees.

Persons Testifying: PRO: Senator Becker, prime sponsor; Emily Studebaker, WA Ambulatory Surgery Center Assn.

OTHER: Martin Mueller, DOH.