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**SUBSTITUTE HOUSE BILL 1186**

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**State of Washington                      64th Legislature                      2015 Regular Session**

**By** House Health Care & Wellness (originally sponsored by Representatives Clibborn, Springer, Johnson, Senn, Moeller, McBride, Walkinshaw, Caldier, and Fey)

READ FIRST TIME 02/17/15.

1            AN ACT Relating to notifications to patients in observation  
2 status at hospitals; and adding a new section to chapter 70.41 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            NEW SECTION.    **Sec. 1.**    A new section is added to chapter 70.41  
5 RCW to read as follows:

6            (1) Each hospital shall provide oral and written notification to  
7 any patient or patient's legal representative within twenty-four  
8 hours of classifying the patient as an outpatient in observation  
9 status unless the patient has been discharged or has left the  
10 hospital prior to the expiration of the twenty-four-hour period. The  
11 notice must include:

12            (a) A statement that the patient is classified as an outpatient  
13 in observation status and is not admitted as an inpatient to the  
14 hospital;

15            (b) A statement that outpatient observation status may affect the  
16 patient's medicare, medicaid, or private insurance coverage for:

17            (i) Hospital services, including medications and pharmaceutical  
18 supplies; or

19            (ii) Home or community-based care or care at a skilled nursing  
20 facility upon the patient's discharge; and

1 (c) A recommendation that the patient or the patient's legal  
2 representative:

3 (i) Contact the patient's insurance provider to better understand  
4 the implications of being classified as an outpatient in observation  
5 status; and

6 (ii) Conduct a timely review of any benefit statements provided  
7 by the patient's insurance provider, including any medicare summary  
8 notice or explanation of benefits, and contact the patient's  
9 insurance provider with any concerns.

10 (2) The patient or the patient's legal representative must sign  
11 the statement to verify that he or she received the notice.

12 (3) The department, in consultation with hospitals in the state,  
13 shall adopt rules to standardize elements to be included in the  
14 notice required under this section.

15 (4) For the purposes of this section, "observation status" means  
16 the classification of a patient as an outpatient while a decision is  
17 made regarding whether the patient will require further treatment as  
18 a hospital inpatient or if the patient may be able to be discharged  
19 from the hospital.

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