
Appropriations Committee

HB 2729

Brief Description: Providing enhanced payment to low volume, small rural hospitals.

Sponsors: Representatives Dufault, Chapman, Schmick, Chandler, Corry, Eslick, Rude, MacEwen, Stokesbary, Sutherland, Kretz and Chambers.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">Increases Medicaid payments for low-volume, rural hospitals to 150 percent of the hospital's fee-for-service rates.

Hearing Date: 1/30/20

Staff: Meghan Morris (786-7119).

Background:

Critical Access Hospitals.

Washington has 39 hospitals certified by the Centers for Medicare and Medicaid Services as critical access hospitals (CAH). A CAH must have 25 beds or less and be located in a rural area. They must deliver continuous emergency department services and they may not have an average length of stay of more than 96 hours per patient. The CAH program allows hospitals under Washington's medical assistance programs to receive payment for hospital services based on allowable costs and to have more flexibility in staffing.

Washington Rural Health Access Preservation.

The Washington Rural Health Access Preservation pilot was created in 2014 by the Department of Health and the Washington State Hospital Association to design and implement improvements in payment and delivery of health care in small and remote communities.

Summary of Bill:

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.

Beginning July 1, 2020, payments for Medicaid clients, regardless of the beneficiary's managed care enrollment status, must be increased to 150 percent of the hospital's fee-for-service rates, when services are provided by a hospital that:

- has less than 70 available acute care beds as reported in the hospital's 2018 Department of Health year-end report;
- is not currently designated as a critical access hospital, and does not meet current federal eligibility requirements for designation as a critical access hospital; and
- has combined Medicare and Medicaid inpatient days greater than 80 percent, as reported in the hospital's 2018 cost report.

Appropriation: None.

Fiscal Note: Available.

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