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By Committee on Health & Long Term Care

NOT ADOPTED 04/06/2021

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 70.41.020 and 2016 c 226 s 1 are each amended to 4 read as follows:
- 5 Unless the context clearly indicates otherwise, the following 6 terms, whenever used in this chapter, shall be deemed to have the 7 following meanings:
 - (1) "Aftercare" means the assistance provided by a lay caregiver to a patient under this chapter after the patient's discharge from a hospital. The assistance may include, but is not limited to, assistance with activities of daily living, wound care, medication assistance, and the operation of medical equipment. "Aftercare" includes assistance only for conditions that were present at the time of the patient's discharge from the hospital. "Aftercare" does not include:
- 16 (a) Assistance related to conditions for which the patient did 17 not receive medical care, treatment, or observation in the hospital; 18 or
- 19 (b) Tasks the performance of which requires licensure as a health 20 care provider.
 - (2) "Department" means the Washington state department of health.
- 22 (3) "Discharge" means a patient's release from a hospital 23 following the patient's admission to the hospital.
 - (4) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine.
 - (5) "Emergency care to victims of sexual assault" means medical examinations, procedures, and services provided by a hospital emergency room to a victim of sexual assault following an alleged sexual assault.
- 31 (6) "Emergency contraception" means any health care treatment 32 approved by the food and drug administration that prevents pregnancy,

including but not limited to administering two increased doses of certain oral contraceptive pills within seventy-two hours of sexual contact.

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- (7) "Hospital" means any institution, place, building, or agency which provides accommodations, facilities and services over a continuous period of twenty-four hours or more, for observation, diagnosis, or care, of two or more individuals not related to the operator who are suffering from illness, injury, deformity, or abnormality, or from any other condition for which obstetrical, medical, or surgical services would be appropriate for care or diagnosis. "Hospital" as used in this chapter does not include hotels, or similar places furnishing only food and lodging, or simply domiciliary care; nor does it include clinics, or physician's offices where patients are not regularly kept as bed patients for twenty-four hours or more; nor does it include nursing homes, as defined and which come within the scope of chapter 18.51 RCW; nor does it include birthing centers, which come within the scope of chapter 18.46 RCW; nor does it include psychiatric hospitals, which come within the scope of chapter 71.12 RCW; nor any other hospital, or institution specifically intended for use in the diagnosis and care of those suffering from mental illness, intellectual disability, convulsive disorders, or other abnormal mental condition. Furthermore, nothing in this chapter or the rules adopted pursuant thereto shall be construed as authorizing the supervision, regulation, or control of the remedial care or treatment of residents or patients in any hospital conducted for those who rely primarily upon treatment by prayer or spiritual means in accordance with the creed or tenets of any well recognized church or religious denominations.
 - (8) "Immediate jeopardy" means a situation in which the hospital's noncompliance with one or more statutory or regulatory requirements has placed the health and safety of patients in its care at risk for serious injury, serious harm, serious impairment, or death.
 - (9) "Lay caregiver" means any individual designated as such by a patient under this chapter who provides aftercare assistance to a patient in the patient's residence. "Lay caregiver" does not include a long-term care worker as defined in RCW 74.39A.009.
- $((\frac{(9)}{(9)}))$ <u>(10)</u> "Originating site" means the physical location of a patient receiving health care services through telemedicine.

- 1 (((10))) <u>(11)</u> "Person" means any individual, firm, partnership, 2 corporation, company, association, or joint stock association, and 3 the legal successor thereof.
- 4 $((\frac{11}{11}))$ (12) "Secretary" means the secretary of health.
- 5 $((\frac{(12)}{(13)}))$ "Sexual assault" has the same meaning as in RCW 70.125.030.
- 7 (((13))) <u>(14)</u> "Telemedicine" means the delivery of health care 8 services through the use of interactive audio and video technology, 9 permitting real-time communication between the patient at the 10 originating site and the provider, for the purpose of diagnosis, 11 consultation, or treatment. "Telemedicine" does not include the use 12 of audio-only telephone, facsimile, or email.
- $((\frac{(14)}{(14)}))$ <u>(15)</u> "Victim of sexual assault" means a person who alleges or is alleged to have been sexually assaulted and who presents as a patient.
- 16 **Sec. 2.** RCW 70.41.130 and 2011 c 302 s 3 are each amended to 17 read as follows:
- 18 <u>(1)</u> The department is authorized to ((deny, suspend, revoke, or modify a)) take any of the actions identified in this section against a hospital's license or provisional license in any case in which it finds that there has been a failure or refusal to comply with the requirements of this chapter or the standards or rules adopted under this chapter or the requirements of RCW 71.34.375.
- 24 (a) When the department determines the hospital has previously been subject to an enforcement action for the same or similar type of 25 violation of the same statute or rule, or has been given any previous 26 27 statement of deficiency that included the same or similar type of violation of the same or similar statute or rule, or when the 28 hospital failed to correct noncompliance with a statute or rule by a 29 30 date established or agreed to by the department, the department may impose reasonable conditions on a license. Conditions may include 31 correction within a specified amount of time, training, or hiring a 32 department-approved consultant if the hospital cannot demonstrate to 33 the department that it has access to sufficient internal expertise. 34 If the department determines that the violations constitute immediate 35 jeopardy, the conditions may be imposed immediately in accordance 36 with <u>subsection</u> (3) of this section. 37
- 38 (b) (i) In accordance with the authority the department has under
 39 RCW 43.70.095, the department may assess a civil fine of up to
 Code Rev/MW:eab 3 S-2304.1/21

- 1 \$10,000 per violation, not to exceed a total fine of \$1,000,000, on a
- 2 hospital licensed under this chapter when the department determines
- 3 the hospital has previously been subject to an enforcement action for
- 4 the same or similar type of violation of the same statute or rule, or
- 5 <u>has been given any previous statement of deficiency that included the</u>
- 6 same or similar type of violation of the same or similar statute or
- 7 rule, or when the hospital failed to correct noncompliance with a
- 8 statute or rule by a date established or agreed to by the department.
- 9 <u>(ii) Proceeds from these fines may only be used by the department</u> 10 to offset costs associated with licensing hospitals.
- 11 <u>(iii) The department shall adopt in rules under this chapter</u> 12 <u>specific fine amounts in relation to:</u>
- 13 <u>(A) The severity of the noncompliance and at an adequate level to</u>
 14 <u>be a deterrent to future noncompliance; and</u>
- 15 <u>(B) The number of licensed beds and the operation size of the</u> 16 hospital. The licensed hospital beds will be categorized as:
- 17 <u>(I) Up to 25 beds;</u>
- 18 (II) 26 to 99 beds;

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- 19 (III) 100 to 299 beds; and
- 20 <u>(IV) 300 beds or greater.</u>
- 21 <u>(iv) If a licensee is aggrieved by the department's action of</u> 22 <u>assessing civil fines, the licensee has the right to appeal under RCW</u> 23 43.70.095.
- 24 (c) The department may suspend a specific category or categories 25 of services or care or recovery units within the hospital as related 26 to the violation by imposing a limited stop service. This may only be 27 done if the department finds that noncompliance results in immediate 28 jeopardy.
 - (i) Prior to imposing a limited stop service, the department shall provide a hospital written notification upon identifying deficient practices or conditions that constitute an immediate jeopardy, and upon the review and approval of the notification by the secretary or the secretary's designee. The hospital shall have 24 hours from notification to develop and implement a department-approved plan to correct the deficient practices or conditions that constitute an immediate jeopardy. If the deficient practice or conditions that constitute immediate jeopardy are not verified by the department as having been corrected within the same 24 hour period,

the department may issue the limited stop service.

- (ii) When the department imposes a limited stop service, the hospital may not admit any new patients to the units in the category or categories subject to the limited stop service until the limited stop service order is terminated.
 - (iii) The department shall conduct a follow-up inspection within five business days or within the time period requested by the hospital if more than five business days is needed to verify the violation necessitating the limited stop service has been corrected.
 - (iv) The limited stop service shall be terminated when:

- 10 <u>(A) The department verifies the violation necessitating the</u>
 11 <u>limited stop service has been corrected or the department determines</u>
 12 <u>that the hospital has taken intermediate action to address the</u>
 13 <u>immediate jeopardy; and</u>
- 14 <u>(B) The hospital establishes the ability to maintain correction</u>
 15 <u>of the violation previously found deficient.</u>
 - (d) The department may suspend new admissions to the hospital by imposing a stop placement. This may only be done if the department finds that noncompliance results in immediate jeopardy and is not confined to a specific category or categories of patients or a specific area of the hospital.
 - (i) Prior to imposing a stop placement, the department shall provide a hospital written notification upon identifying deficient practices or conditions that constitute an immediate jeopardy, and upon the review and approval of the notification by the secretary or the secretary's designee. The hospital shall have 24 hours from notification to develop and implement a department-approved plan to correct the deficient practices or conditions that constitute an immediate jeopardy. If the deficient practice or conditions that constitute immediate jeopardy are not verified by the department as having been corrected within the same 24 hour period, the department may issue the stop placement.
 - (ii) When the department imposes a stop placement, the hospital may not admit any new patients until the stop placement order is terminated.
 - (iii) The department shall conduct a follow-up inspection within five business days or within the time period requested by the hospital if more than five business days is needed to verify the violation necessitating the stop placement has been corrected.
 - (iv) The stop placement order shall be terminated when:

- 1 (A) The department verifies the violation necessitating the stop
 2 placement has been corrected or the department determines that the
 3 hospital has taken intermediate action to address the immediate
 4 jeopardy; and
- 5 (B) The hospital establishes the ability to maintain correction 6 of the violation previously found deficient.
 - (e) The department may deny an application for a license or suspend, revoke, or refuse to renew a license.
 - (2) The department shall adopt in rules under this chapter a fee methodology that includes funding expenditures to implement subsection (1) of this section. The fee methodology must consider:
 - (a) The operational size of the hospital; and

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- (b) The number of licensed beds of the hospital.
- (3) (a) Except as otherwise provided, RCW 43.70.115 governs notice 14 of ((a license denial, revocation, suspension, or modification)) 15 actions taken by the department under subsection (1) of this section 16 17 and provides the right to an adjudicative proceeding. Adjudicative proceedings and hearings under this section are governed by the 18 administrative procedure act, chapter 34.05 RCW. The application for 19 an adjudicative proceeding must be in writing, state the basis for 20 contesting the adverse action, including a copy of the department's 21 22 notice, be served on and received by the department within 28 days of 23 the licensee's receipt of the adverse notice, and be served in a 24 manner that shows proof of receipt. A hospital that prevails in an 25 adjudicative proceeding, hearing, or appeal under this section is entitled to recover costs of litigation and reasonable attorneys' 26 27 fees.
 - (b) When the department determines a licensee's noncompliance results in immediate jeopardy, the department may make the imposition of conditions on a licensee, a limited stop placement, stop placement, or the suspension of a license effective immediately upon receipt of the notice by the licensee, pending any adjudicative proceeding.
- (i) When the department makes the suspension of a license or imposition of conditions on a license effective immediately, a licensee is entitled to a show cause hearing before a presiding officer within 14 days of making the request. The licensee must request the show cause hearing within 28 days of receipt of the notice of immediate suspension or immediate imposition of conditions. At the show cause hearing the department has the burden of

- demonstrating that more probably than not there is an immediate jeopardy.
- 3 <u>(ii) At the show cause hearing, the presiding officer may</u> 4 consider the notice and documents supporting the immediate suspension
- 5 or immediate imposition of conditions and the licensee's response and
- 6 must provide the parties with an opportunity to provide documentary
- 7 evidence and written testimony, and to be represented by counsel.
- 8 Prior to the show cause hearing, the department must provide the
- 9 <u>licensee</u> with all <u>documentation</u> that <u>supports</u> the <u>department's</u>
- 10 <u>immediate suspension or imposition of conditions.</u>
- 11 <u>(iii) If the presiding officer determines there is no immediate</u>
- 12 jeopardy, the presiding officer may overturn the immediate suspension
- 13 <u>or immediate imposition of conditions.</u>
- 14 <u>(iv) If the presiding officer determines there is immediate</u>
- 15 jeopardy, the immediate suspension or immediate imposition of
- 16 <u>conditions shall remain in effect pending a full hearing.</u>
- 17 <u>(v) If the presiding officer sustains the immediate suspension or</u>
- 18 <u>immediate imposition of conditions</u>, the licensee may request an
- 19 expedited full hearing on the merits of the department's action. A
- 20 <u>full hearing must be provided within 90 days of the licensee's</u>
- 21 <u>request.</u>"

2SHB 1148 - S COMM AMD

By Committee on Health & Long Term Care

NOT ADOPTED 04/06/2021

- On page 1, line 2 of the title, after "enforcement;" strike the
- 23 remainder of the title and insert "and amending RCW 70.41.020 and
- 24 70.41.130."

<u>EFFECT:</u> Entitles a hospital that prevails in an adjudicative proceeding, hearing or appeal contesting DOH's sanctions to recover costs of litigation and reasonable attorneys' fees.

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