
Health Care & Wellness Committee

HB 1148

Brief Description: Protecting patients in acute care hospitals.

Sponsors: Representatives Cody, Macri, Stonier, Lekanoff and Pollet.

Brief Summary of Bill

- Establishes penalties for hospitals that fail or refuse to comply with state licensing standards, including civil fines and stop placements.
- Allows the Department of Health (Department) to recover enforcement costs, including the Department's staff expenses, the Department's Attorney General costs, the presiding officer's expenses, and costs associated with follow-up inspections.

Hearing Date: 1/21/21

Staff: Christopher Blake (786-7392).

Background:

Hospitals are facilities licensed by the Department of Health (Department) to provide accommodations and services over a continuous period of 24 hours or more for observation, diagnosis, or care. Prior to operation, a hospital must obtain a certificate of need to allow for the opening of a hospital and to determine the hospital's bed capacity. To obtain and maintain a license, a hospital must meet Department standards related to patient care, medical staff, infection control, and mandatory reporting related to patient care and financial information. Specific regulatory standards apply to the particular care units and services offered at the hospital.

The Department conducts an on-site survey of each hospital at least every 18 months to assess its

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compliance with health and safety standards. In addition, the Department conducts complaint investigations for each complaint against a hospital concerning patient well-being. The Department posts information on its website regarding the most frequent problems identified during hospital surveys and complaint investigations. In the event that an investigation or survey identifies noncompliance with hospital standards, the Department may require the hospital to submit a plan of correction to address each of the deficiencies. In addition, the Department is authorized to deny, suspend, revoke, or modify a license or provisional license.

Summary of Bill:

In addition to denying, suspending, or revoking a hospital license, the Department of Health (Department) may take one or more of several actions when a hospital: (1) has previously been subject to an enforcement action for the same or similar type of violation; (2) has been given a statement of deficiency for the same or similar type of violation; or (3) has failed to correct noncompliance with a licensing standard by an established date. In these circumstances, the Department may either impose conditions on a hospital or assess a civil fine. Conditions may include correction within a specified time, training, or the hiring of a consultant. Civil fines may be imposed of up to \$10,000 per violation, for a total of no more than \$1 million. Civil fines collected by the Department may only be used to provide training and technical assistance to hospitals and to offset the cost of hospital licensing activities.

The Department may suspend one or more categories of services or care or recovery units within a hospital by imposing a limited stop placement. In addition, the Department may suspend new admissions to a hospital by imposing a stop placement on the entire facility. A limited stop placement or stop placement may only be imposed if the Department finds practices or conditions that constitute an immediate jeopardy. The term "immediate jeopardy" means a situation in which a hospital's noncompliance has placed the health and safety of patients at risk for death or serious injury, harm, or impairment. Before imposing a limited stop placement or stop placement, the Department must give the hospital notice of the practices or conditions that constitute an immediate jeopardy and allow the hospital 24 hours to develop and implement a plan to correct the violation. If the Department does not verify within 24 hours that the violation has been corrected, then the limited stop placement or stop placement may be issued. If the Department issues a limited stop placement or stop placement, it must conduct a follow-up inspection within five business days or a longer period if the hospital requests more time. The stop placement order or limited stop placement order must be terminated if the violations have been corrected or addressed through an intermediate action and the hospital is able to maintain the corrections.

Before imposing immediate conditions or an immediate license suspension, the Department must find that noncompliance will result in immediate jeopardy. When the Department takes such immediate actions, the hospital is entitled to a show cause hearing within 14 days of making a request. At a show cause hearing the Department has the burden of demonstrating that an immediate jeopardy exists. Standards for the consideration of evidence are established. If the show cause hearing sustains the Department's immediate action, the hospital may request an

expedited full hearing to occur within 90 days.

The Department may recover from the hospital the costs related to an enforcement action. Recoverable costs include the Department's staff expenses, the Department's Attorney General costs, the presiding officer's expenses, and costs associated with follow-up inspections.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.