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## Health Care & Wellness Committee

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### HB 1690

**Brief Description:** Creating exemptions from certificate of need requirements for kidney disease centers.

**Sponsors:** Representatives Reeves, Leavitt and Jacobsen.

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| <p style="text-align: center;"><b>Brief Summary of Bill</b></p> <ul style="list-style-type: none"><li>• Establishes a partial exemption to the certificate of need process for kidney disease centers during temporary emergency situations.</li></ul> |
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**Hearing Date:** 2/10/23

**Staff:** Emily Poole (786-7106).

**Background:**

The Department of Health (Department) implements the Certificate of Need Program, which evaluates proposals by certain health care providers to expand health care activities and reviews the potential impact of the expansion on a community's need for the service. With certain exceptions, a certificate of need from the Department is required prior to the construction of a health care facility; the sale or purchase of a hospital; changes in bed capacity; an increase in the number of dialysis stations at a kidney disease treatment center; or the addition of specialized health services. Under the program, the Department reviews the project under specific criteria, including criteria related to community need, quality of services, financial feasibility, and the impact on health care costs in the community. A facility or service that is subject to the Certificate of Need Program must be approved prior to beginning operations. A certificate of need is valid for two years.

A kidney disease treatment center is defined under the Certificate of Need Program as any place

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for providing services to persons who have end-stage renal disease. There are no state licensing requirements for kidney disease treatment centers, other than to obtain a certificate of need for the establishment of a new kidney disease treatment center, relocation of an existing kidney disease treatment center, or increase in the number of stations at a kidney disease treatment center.

**Summary of Bill:**

A kidney disease treatment center may be granted an exemption to exceed its authorized number of dialysis stations during a temporary emergency situation upon approval of the Department.

A temporary emergency situation is defined to include:

- natural disasters;
- power outages or water system shutdowns;
- mold remediations or other physical plant issues;
- staffing shortages that require kidney disease center reconfiguration to facilitate delivery of dialysis services as long as the facility does not exceed the number of patients served at the time of the exemption request; and
- any additional temporary emergency situations as included by the Department in rule.

In order to be granted an exemption, a kidney dialysis center must make a request to the Department and include certain information, including a description of the circumstances requiring the exemption, the number of additional dialysis stations required to meet patient needs, and an acknowledgment that patient safety is not being threatened. If an exemption is granted due to a staffing shortage, the exemption is valid for 90 days.

Approval of an exemption does not authorize a kidney disease treatment center to permanently increase the number of dialysis stations.

**Appropriation:** None.

**Fiscal Note:** Requested on February 1, 2023.

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