
HOUSE BILL 2128

State of Washington

68th Legislature

2024 Regular Session

By Representatives Schmick, Graham, Macri, Harris, Jacobsen, and Hutchins

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1 AN ACT Relating to the modernization of the certificate of need
2 program; creating a new section; and providing an expiration date.

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

4 NEW SECTION. **Sec. 1.** (1) The certificate of need modernization
5 task force is established with members as provided in this
6 subsection:

7 (a) The speaker of the house of representatives shall appoint one
8 member from each of the two largest caucuses of the house of
9 representatives;

10 (b) The president of the senate shall appoint one member from
11 each of the two largest caucuses of the senate;

12 (c) The secretary of the department of health, or the secretary's
13 designee;

14 (d) The director of the health care authority, or the director's
15 designee;

16 (e) The secretary of the department of social and health
17 services, or the secretary's designee; and

18 (f) The following individuals appointed by the governor:

19 (i) A health care economist;

20 (ii) A representative of private employer-sponsored health
21 benefits purchasers;

- 1 (iii) A representative of labor organizations;
2 (iv) A representative of health carriers;
3 (v) A representative of an organization that represents health
4 care consumers; and
5 (vi) One representative from each category of health care
6 facility, as specified in the definition of "health care facility" in
7 RCW 70.38.025.

8 (2) (a) The task force shall review the following issues:

9 (i) The role that the certificate of need program may or may not
10 have in the current health care system with respect to containing
11 health care costs associated with the health care system, as a whole,
12 and for each category of health care facility, health service, or
13 other activity subject to the certificate of need program under RCW
14 70.38.105;

15 (ii) Whether or not the certificate of need program promotes and
16 facilitates patient care in urban, suburban, and rural parts of
17 Washington for each category of health care facility, health service,
18 or other activity subject to the certificate of need program under
19 RCW 70.38.105;

20 (iii) Whether or not the certificate of need program increases
21 the quality of health care services;

22 (iv) Whether or not patients have more health care choices
23 because of the certificate of need program;

24 (v) Whether or not the certificate of need program facilitates
25 the adoption of innovative and cost-effective new health care
26 technologies;

27 (vi) Whether or not the certificate of need program reduces the
28 overutilization of health care services;

29 (vii) Whether or not the certificate of need program assists in
30 the establishment of an adequate health care workforce;

31 (viii) Whether or not the certificate of need program creates an
32 unnecessary barrier to the establishment of needed health care
33 facilities and health services;

34 (ix) Ways to modernize the certificate of need program to improve
35 its performance with respect to the items identified in (a)(i)
36 through (viii) of this subsection, including:

37 (A) Consideration of the need to continue to require the coverage
38 of each category of health care facility, health service, or other
39 activity subject to the certificate of need program under RCW
40 70.38.105, and consideration of the elimination of any categories

1 from certificate of need coverage or elimination of the certificate
2 of need program, as a whole;

3 (B) Consideration of the need to expand the certificate of need
4 program to include other health care facilities, health services, or
5 other activities;

6 (C) Ways to improve the certificate of need program through
7 modernizing its goals, criteria, and processes; and

8 (D) Options to make the certificate of need program work better
9 to meet the needs of patients in Washington; and

10 (x) Ways to improve strategic health planning activities as the
11 basis of certificate of need program decisions and for identifying
12 other trends in the availability of health care across the state. The
13 task force must review the statewide health resources strategy
14 established in chapter 43.370 RCW, assess its value in the
15 certificate of need program or other areas of the health care system,
16 consider ways the strategy may be improved, and explore whether it
17 should be reinstated or replaced by another planning system. If the
18 task force concludes that the strategy should be replaced, it shall
19 consider the goals and purposes of the new planning system and the
20 structure of that planning system.

21 (b) The task force shall review the issues in (a) of this
22 subsection in light of:

23 (i) Recent and projected population and demographic trends in
24 Washington, including age, race, ethnicity, gender, and geographic
25 population density; and

26 (ii) Recent and projected developments in the health care system
27 in Washington and nationally, including health care workforce
28 shortages, health care provider consolidation within the health care
29 system, the increased use of telemedicine and other new methods of
30 accessing and providing care, the increased availability of
31 information for patients about health care provider and facility cost
32 and quality, state and national health care initiatives since 2010,
33 and the increased availability of data related to the delivery and
34 cost of health care.

35 (3) (a) The secretary of the department of health, or the
36 secretary's designee, shall serve as the chair of the task force. The
37 chair is responsible for convening meetings of the task force.

38 (b) The department of health shall provide staff support to the
39 task force. The department of health may contract or hire dedicated

1 staff to provide facilitation and project management support for the
2 task force.

3 (4) (a) Members are not entitled to reimbursement for travel
4 expenses if they are participating on behalf of an employer,
5 governmental entity, or other organization.

6 (b) Any reimbursement for members not identified in (a) of this
7 subsection is subject to chapter 43.03 RCW.

8 (5) The task force shall submit its findings and recommendations
9 to the governor and each chamber of the legislature in two phases.

10 (a) By December 15, 2024, the task force must submit a report
11 with its findings and recommendations related to whether or not the
12 certificate of need program should be discontinued in light of the
13 review conducted under subsection (2) of this section.

14 (b) By November 15, 2025, the task force must submit a report
15 with findings and recommendations related to:

16 (i) If the December 15, 2024, report finds that the certificate
17 of need program should be discontinued in its entirety, alternatives
18 to the certificate of need program that will address the items
19 identified in subsection (2) (a) (i) through (viii) of this section; or

20 (ii) If the December 15, 2024, report finds that the certificate
21 of need program should be continued, options for improving the
22 program's operations so that it can better address the items in
23 subsection (2) of this section.

24 (6) This section expires July 1, 2026.

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