

**NEW SECTION.** Sec. 920. A new section is added to chapter 70.24 RCW to read as follows:

Nothing in this chapter is intended to create a state-mandated liberty interest of any nature for offenders or inmates confined in department of corrections facilities or subject to the jurisdiction of the department of corrections.

**NEW SECTION.** Sec. 921. The following acts or parts of acts are each repealed:

- (1) Section 1, chapter 114, Laws of 1919 and RCW 70.24.010;
- (2) Section 2, chapter 114, Laws of 1919, section 93, chapter 141, Laws of 1979 and RCW 70.24.020;
- (3) Section 3, chapter 114, Laws of 1919 and RCW 70.24.030;
- (4) Section 4, chapter 114, Laws of 1919 and RCW 70.24.040; and
- (5) Section 7, chapter 114, Laws of 1919, section 94, chapter 141, Laws of 1979 and RCW 70.24.060.

**NEW SECTION.** Sec. 922. Sections 916 and 917 of this act shall take effect July 1, 1988.

#### PART X MISCELLANEOUS

**NEW SECTION.** Sec. 1001. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

**NEW SECTION.** Sec. 1002. Except as otherwise specifically provided, this act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate March 10, 1988.

Passed the House March 10, 1988.

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#### CHAPTER 207

[Engrossed Substitute Senate Bill No. 6124]

#### RURAL HEALTH CARE COMMISSION—MEDICARE HEALTH CARE FACILITY CERTIFICATION OPTIONS

AN ACT Relating to rural health care; adding a new section to chapter 70.14 RCW; creating two sections; making an appropriation; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

**NEW SECTION.** Sec. 1. (1) The legislature finds and declares that the social and economic well-being of the people of rural areas of

Washington is closely related to the state's rural health care delivery system. Demographic, economic, and financial changes have greatly affected the viability of rural health care providers. These providers include, but are not limited to, hospitals, health clinics, community clinics, nursing homes, home health providers, and individual providers. The problems faced by rural health care providers include erratic fluctuations or general decline in rural economies, the aging of the rural population, older physical plants, lack of health care professionals, and inappropriate or burdensome regulations, facility standards, and licensure requirements.

(2) Rural health providers help ensure access to and the availability of preventive, primary, and emergency health care services to rural residents and tourist populations in rural areas. A large percentage of rural health resources are used to provide services to government-sponsored patients. The availability of health care services in rural areas is essential to the integrity of the medicare and medicaid programs;

(3) Rural health providers affect the economic well-being of rural areas. Not only are these facilities a source of employment for rural residents, but also the existence of health care services in a rural community is important to its economic development and ability to attract businesses;

(4) Government regulations and standards for facility and professional licensure and certification are typically appropriate to urban facilities and are, in some cases, inordinately burdensome for rural health care facilities. Such regulations and standards can create barriers to the delivery of innovative, efficient, and cost-effective health care services to better meet the health needs of the rural communities; and

(5) The changing environment in health care delivery has changed how and where health care is provided and includes an increased emphasis on outpatient services, preventive care, home health care, and community-based care. Rural communities need to consider restructuring the delivery of health care services to insure continued availability of adequate community-based health care. Coordination among providers is essential to facilitate the planning necessary to maintain a viable health care delivery system within rural areas of the state.

**NEW SECTION.** Sec. 2. (1) There is created the Washington rural health care commission composed of eleven members; two members shall be the chair and ranking minority member from the senate health care and corrections committee and two members shall be the chair and ranking minority member from the house of representatives health care committee.

(2) The legislative members of the commission shall select seven public members, to serve on the commission, that are representative of rural health care professionals, rural health care providers, those directly involved in the purchase, provision, or delivery of rural health care services, industry, consumers, and those knowledgeable of the ethical issues involved with rural

health care public policy. The chairs of the senate health care and corrections committee and the house of representatives health care committee shall jointly chair the commission. The ranking minority members of these committees shall jointly vice-chair the commission. The legislative members shall serve as the executive committee.

(3) The commission may hire staff or contract for professional assistance with funds made available for their activities. To the extent possible, the department of social and health services, the department of community development, the house of representatives, and the senate shall provide staff support. The commission may apply for and receive and accept grants, gifts, and other payments, including property and services, from any governmental or other public or private entity or person, and may make arrangements as to the use of these receipts, including the undertaking of special studies and other projects relating to health care costs or access to health care.

(4) The public members of the commission shall receive no compensation for their service as members, but shall be reimbursed for their expenses while attending any meetings of the commission in the same manner as legislators engaged in interim committee business as specified in RCW 44.04.120.

(5) The commission may establish ad hoc technical advisory committees to assist it with any particular matters deemed necessary and any person serving in such capacity may be reimbursed for their expenses while attending any meetings of such committee or the commission in the same manner as public members of the commission. To the extent possible, the department of social and health services, the department of community development, the department of trade and economic development, the department of employment security, the state health coordinating council, and other state agencies shall assist the commission in performing its responsibilities.

(6) The commission shall:

(a) Review current statutes and regulations governing the provision of rural health services, including the licensure, certification, and operation of rural health providers, including hospitals, health districts, rural health clinics, rural community health centers, and rural ambulatory surgical centers. The purpose of the review shall be to identify barriers to cost-effective and efficient health care delivery that are created by statute or regulation. The review shall include, but not be limited to:

(i) Licensure and certification survey processes conducted by both federal and state agencies;

(ii) Processes for review and approval of proposed facility construction or remodeling or establishing new services;

(iii) Mandated personnel requirements; and

(iv) Mandatory information gathering and reporting requirements;

(b) Review issues that affect the current delivery of rural health care. This review shall include, but not be limited to:

(i) Determination of basic health care services to be available to rural residents;

(ii) The need for and availability of emergency and nonemergency transportation to medical care facilities;

(iii) The need for and availability of appropriate health care providers;

(iv) Health care financing;

(v) Coordination among private and public health care providers on a local, regional, and state-wide basis; and

(vi) Use of modern telecommunications between rural and regional and urban medical care centers to facilitate better diagnosis and treatment of patients in rural facilities and for use in training rural health care providers;

(c) Establish operational guidelines or standards for a model alternative rural health facility. The standards shall include, but are not limited to:

(i) The basic array of health services that is appropriate in rural areas;

(ii) Minimum staffing requirements for safe, efficient, and effective operation of these services, commensurate with community practice standards; and

(iii) Other such requirements for operation as the commission deems appropriate to establish minimum standards for licensure;

(d) Develop measurements of the economic impact of rural health care facilities on the communities that they serve. The purpose of the study shall be to establish the role health facilities play in determining the economic viability and development of rural communities;

(e) Review the impact of existing government payment policies and methods on rural health facilities. The purpose of the review shall be to identify current payment practices or standards, make recommendations for change as appropriate, and establish guidelines for payment to model rural health facilities as described in this section; and

(f) Recommend, as deemed appropriate by the commission, that the department of social and health services convey to the federal health care financing administration interest in testing new models of institutional health care delivery in rural areas, and seek such waivers as may be necessary and appropriate to such demonstrations.

(7) The commission shall coordinate its activities with the study of trauma care services authorized by Second Substitute House Bill No. 1713 and other health care policy studies conducted during the commission's term.

(8) The commission shall submit a report to the appropriate committees of the legislature by December 1, 1988. The report shall include such findings of the commission as are related to the responsibilities identified in this section. The report shall make recommendations to the legislature regarding changes to licensure, certification, and payment systems that will

enhance the likelihood that high quality rural health care delivery occurs in a cost-effective and efficient manner.

NEW SECTION. Sec. 3. A new section is added to chapter 70.14 RCW to read as follows:

The department of social and health services shall compile and make available to the public information regarding medicare health care facility certification options available to hospitals licensed under this title that desire to convert to nonhospital health care facilities. The information provided shall include standards and requirements for certification and procedures for acquiring certification.

NEW SECTION. Sec. 4. The department of community development, department of trade and economic development, department of employment security, and department of social and health services are expected to use their present resources and staffing to carry out the requirements of this act.

NEW SECTION. Sec. 5. Sections 1 and 2 of this act shall expire on December 31, 1988.

NEW SECTION. Sec. 6. The sum of ten thousand dollars, or as much thereof as may be necessary, is appropriated for the biennium ending June 30, 1989, from the general fund to the Washington rural health care commission for the purposes identified in this act. The senate facilities and operations committee may authorize expenditures for necessary expenses directly related to commission activities.

NEW SECTION. Sec. 7. Sections 1 and 2 of this act are necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate March 10, 1988.

Passed the House March 10, 1988.

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## CHAPTER 208

[Substitute Senate Bill No. 6437]

### NURSING HOMES—LEASES—RETURN ON INVESTMENT

AN ACT Relating to the return on investment allowance for nursing homes; and amending RCW 74.46.360.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 36, chapter 177, Laws of 1980 as amended by section 1, chapter 175, Laws of 1986 and RCW 74.46.360 are each amended to read as follows: