

# Oversight of Hospital Data Reporting, Inspections, and Complaints

PROPOSED FINAL REPORT | JULY 2025

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## Legislative Auditor's conclusion

The Department of Health (DOH) does not complete inspections on time, ensure third-party inspections meet state standards, or review medical error reports. This limits its ability to ensure patient safety.

## Key points

- DOH must inspect hospitals, investigate patient complaints, review hospital reports of adverse health events (i.e., avoidable medical errors), and collect and publish hospital data.
- 72% of hospital inspections were late, with nearly half overdue by 6 months or more. DOH has not specified how it will complete inspections on time.
- DOH does not know if third-party inspections meet state standards. Few hospitals share proof that inspections were completed.
- DOH does not review hospitals' reports of adverse health events as required by law.
- DOH publishes data reported by hospitals online. Other states make similar information more accessible to inform the public about health care issues.

## Executive summary

In 2022, the Legislature directed the Joint Legislative Audit and Review Committee (JLARC) to evaluate DOH's oversight of hospital inspections, complaints, and data reporting.

**DOH must inspect hospitals, investigate patient complaints, review hospital reports of adverse health events, and collect and publish hospital data**

There are 103 acute care and behavioral health hospitals in Washington that served 720,665 patients in 2023. Acute care hospitals offer services like inpatient, outpatient, surgical, and emergency care. Behavioral health

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hospitals include psychiatric hospitals and alcohol and chemical dependency hospitals.

State law requires the following:

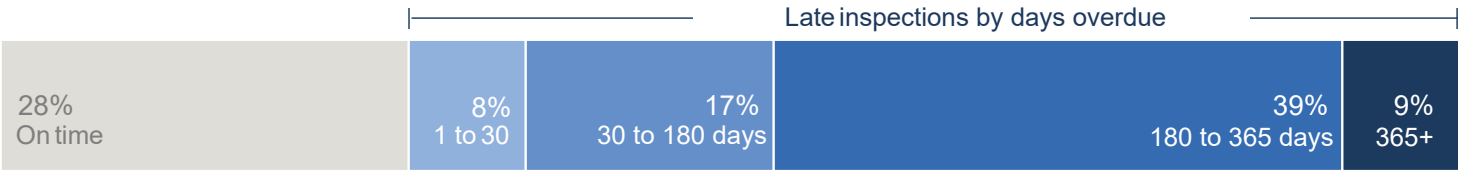
- DOH must inspect hospitals and investigate complaints related to patient well-being.
- Hospitals must report information about financial, patient discharge, and charity care to DOH.
- Hospitals must report adverse health events (i.e., avoidable medical errors) and a plan to address the event to DOH. State law requires DOH to review these plans.

**72% of acute care hospitals inspections were late as of December 2024**

State law requires DOH to inspect each acute care hospital "on average, at least every 18 months." The law does not specify how to calculate the average. Unlike similar health care timelines in law, it also does not set a maximum timeframe.

DOH has not met this requirement since 2015. JLARC staff analysis shows that as of December 2024, only 28% of the 93 acute care hospitals were inspected on time. Nearly half were overdue by at least 6 months. This information is based on DOH calculations. The data from DOH did not include the end dates of the most recent inspections. As such, it remains unclear how many hospitals are currently due, or overdue, for inspection.

**Figure 1: 72% of hospital inspections were late**



Note: Calculated as number of inspections completed on time based on average of last three inspections at each acute care hospital. Percents do not add to 100% due to rounding.

Source: JLARC staff analysis of DOH data, December 2024.

**DOH has not evaluated what resources are needed to complete inspections on time**

DOH states that its ability to meet the statutory timelines is limited by increased workload and other demands for inspectors' time. For example, it reports that hospitals have more licensed services and facilities, which can increase the duration and staffing for an inspection. DOH also has reassigned inspectors to support complaint investigations. DOH has not quantified how these changes affect the time or staff needed for an inspection or how these changes impact inspection timeliness.

DOH has not done a staffing analysis for the inspections unit in at least 12 years. A staffing analysis would quantify the number of inspections needed per year, the time required for each, and other demands on staff time. This would allow DOH to calculate the resources needed to complete inspections on time.

## DOH does not know if third-party inspections meet state standards

Of the 93 acute care hospitals, 75 hire accrediting organizations to do federal inspections that ensure they meet standards set by the Centers for Medicare and Medicaid Services (CMS). State law allows these inspections to be used in lieu of a DOH inspection once every 36 months.

There are two conditions:

1. DOH must ensure the organization's standards are "substantially equivalent" to state standards.
2. The hospital must give DOH "documentary evidence" that it passed the inspection.

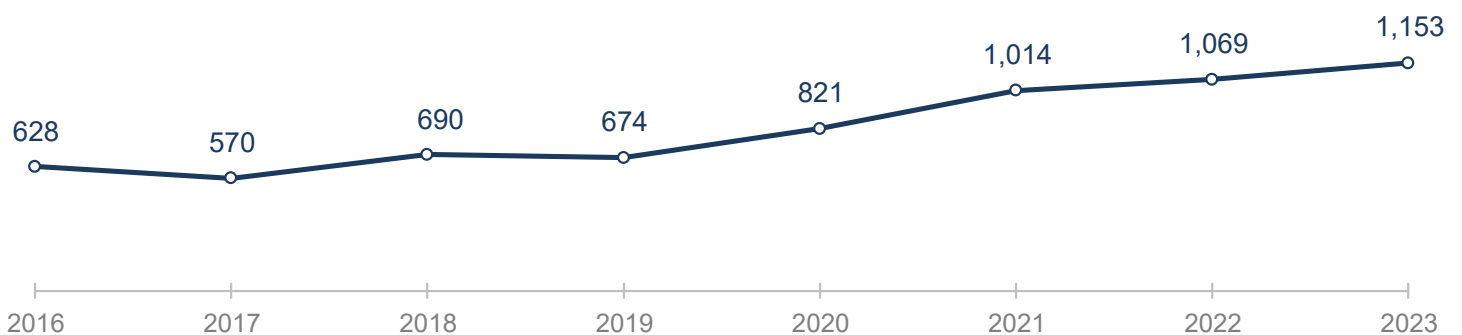
DOH has not verified any organization's standards and does not receive documentation from all hospitals that use these organizations.

## DOH does not review adverse health event reports from hospitals

State law requires hospitals to report avoidable medical errors (i.e., adverse health events) to DOH. The report must include the hospital's analysis of the event and a corrective action plan. The number of adverse health events reported has increased by 84% since 2016.

State law directs DOH to investigate the event and corrective action when it deems it necessary. It must share its conclusions to help improve patient safety and decrease medical errors. However, DOH does not review or analyze these reports. Doing so could allow DOH to find common problems among hospitals and inform prevention and education efforts. DOH does not currently have dedicated funding for this work. In 2016 and 2020, DOH asked for funding to support the adverse health reporting program. Neither the governor's proposed nor the final state budgets included funding.

**Figure 2: Reported adverse health events have increased by 84% since 2016**



Source: JLARC staff analysis of DOH data.

## DOH publishes data reported by hospitals but can make it more readily available

State law requires hospitals to report certain information to DOH. The Legislature has gradually added hospital data reporting requirements since 1973. The intent of each reporting requirement was to provide greater transparency and data to inform the public about health care issues.

Most hospitals report the required data to DOH, which posts the information on its website. However, DOH provides limited analysis of the data. For example, web visitors must download financial data for each hospital

by year, making comparisons difficult.

The Government Accountability Office and the U.S. Department of Health and Human Services offer best practices for sharing information with the public online. They include ensuring people can easily find content, making the information relevant and user-friendly, and providing comparative information. Other states make similar information more accessible to the public so they can make informed healthcare choices.

## **DOH investigated about 3,000 complaints in the last ten years. Two were in a language other than English.**

State law requires DOH to investigate complaints related to patient well-being at hospitals in Washington. Since 2014, DOH has authorized investigations for an average of 311 complaints per year.

A 15-month pause for some investigations during the COVID-19 pandemic led to a backlog. DOH addressed the backlog by increasing staff. It used one-time state funding, increased hospital license fees, and reassigned inspectors to help investigate complaints.

DOH reports that of the nearly 3,000 complaints it has investigated in the last ten years, only two were in a language other than English. As a point of reference, in 2023, about 100,000 patients in Washington identified a language other than English as their preferred language. This is equivalent to 1 in 7 patients. Best practices suggest that agencies should assess whether language access barriers exist and whether they limit use of complaint systems.

## **Legislative Auditor's recommendations**

1. The Legislature should consider specifying the maximum amount of time allowed between acute care hospital inspections and clarify the basis for calculating the 18-month average.
2. DOH should meet the timeline in statute for all hospital inspections and report its performance to the Legislature.
3. DOH should verify accrediting organization standards for hospital inspections and enforce the requirement for hospitals to submit proof of inspections.
4. DOH should assess whether language access barriers exist that may limit use of its complaint system.
5. DOH should review hospitals' plans to address adverse health events and provide feedback to hospitals to help prevent the reoccurrence of these events.
6. DOH should make reported hospital data more accessible to the public.

DOH concurs with these recommendations. You can find additional information in the **Recommendations section**.