# **Multiple Agency Fiscal Note Summary**

**Bill Number:** 6101 S SB AMS CLEV **Title:** Hospital at-home services

S4891.1

## **Estimated Cash Receipts**

Agency Name	2023-25				2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	
Department of Health	0	0	0	0	0	116,000	0	0	56,000	
Total \$	0	0	0	0	0	116,000	0	0	56,000	

Agency Name	2023-25		2025	-27	2027-29			
	GF- State	Total	GF- State	Total	GF- State	Total		
Local Gov. Courts								
Loc School dist-SPI								
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.							
Local Gov. Total								

# **Estimated Operating Expenditures**

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Washington State Health Care Authority	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	.3	0	0	161,000	.8	0	0	281,000	.3	0	0	120,000
Total \$	0.3	0	0	161,000	0.8	0	0	281,000	0.3	0	0	120,000

Agency Name	2023-25				2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total	
Local Gov. Courts										
Loc School dist-SPI										
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.									
Local Gov. Total										

# **Estimated Capital Budget Expenditures**

Agency Name	2023-25				2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total	
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0	
Department of Health	.0	0	0	.0	0	0	.0	0	0	
Total \$	0.0	0	0	0.0	0	0	0.0	0	0	

Agency Name		2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total	
Local Gov. Courts										
Loc School dist-SPI										
Local Gov. Other	Non-z	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total										

# **Estimated Capital Budget Breakout**

NONE

Prepared by: Cynthia Hollimon, OFM	Phone:	Date Published:
	(360) 810-1979	Final 2/22/2024

# **Individual State Agency Fiscal Note**

Bill Number:	6101 S SB AMS CLEV S4891.1	Title: Hospital at-home services	Agency:	107-Washington State Health Care Authority
Part I: Esti	imates			
X No Fisca	al Impact			
<b>Estimated Cas</b>	h Receipts to:			
NONE				
Estimated Openion	erating Expenditure	s from:		
Estimated Cap	oital Budget Impact:			
NONE				
		timates on this page represent the most likel , are explained in Part II.	y fiscal impact. Factors impacting	the precision of these estimates,
		w corresponding instructions:		
If fiscal if form Par		\$50,000 per fiscal year in the current bi	ennium or in subsequent biennia	a, complete entire fiscal note
If fiscal	impact is less than \$5	0,000 per fiscal year in the current bien	nium or in subsequent biennia, c	complete this page only (Part I)
Capital l	budget impact, compl	ete Part IV.		
Requires	s new rule making, co	omplete Part V.		
Legislative (	Contact:		Phone:	Date: 02/15/2024
Agency Prep	paration: Melinda I	Helberg	Phone: 360-725-0000	Date: 02/15/2024
Agency App		kinson	Phone: 360-725-1222	Date: 02/15/2024
OFM Review	w: Jason Bro	wn	Phone: (360) 742-7277	Date: 02/15/2024

## **Part II: Narrative Explanation**

#### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

See attached narrative.

#### II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

See attached narrative.

#### II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

See attached narrative.

## Part III: Expenditure Detail

III. A - Operating Budget Expenditures

**NONE** 

#### III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

**NONE** 

#### III. D - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

#### IV. A - Capital Budget Expenditures

**NONE** 

#### IV. B - Expenditures by Object Or Purpose

NONE

#### IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.

**NONE** 

# Part V: New Rule Making Required Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Bill Nur	mber: 6101 SSB AMS CLEV S489.1	HCA Request #: 24-166	Title: Hospital At-Home Services
Part I	: Estimates  No Fiscal Impact		
Estimo	ited Cash Receipts to:		
NONE			
Estimo	ated Operating Expenditures from:		
NONE			
Estimo	ited Capital Budget Impact:		
NONE			
	h receipts and expenditure estimates on this µ n of these estimates, and alternate ranges (if	·	· · · · · · · · · · · · · · · · · · ·
Check a	pplicable boxes and follow corresponding in	structions:	
	If fiscal impact is greater than \$50,000 per fi entire fiscal note form Parts I-V. If fiscal impact is less than \$50,000 per fiscal page only (Part I).		
	Capital budget impact, complete Part IV.		
	Requires new rule making, complete Part V.		

Bill Number: 6101 SSB AMS CLEV S489.1 HCA Request #: 24-166 Title: Hospital At-Home Services

#### **Part II: Narrative Explanation**

#### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

6101 SSB AMS CLEV S489.1 has minor wording changes affecting the Department of Health (DOH). It says DOH must endeavor to make the standards for hospital at-home services substantially similar to the federal program, removes the specific list of federal program provisions, specifies that DOH may not include requirements that would make a hospital ineligible for the federal program and allows DOH to adopt additional standards as needed for the safe care and treatment of patients.

This version does not make any changes that have an impact to the Washington State Health Care Authority (HCA).

#### II. B - Cash Receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

#### NONE

#### II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

HCA expects that the costs that would have occurred in the hospital are then the same or less than those costs that would follow to the home.

#### **Administrative Cost Impact**

No fiscal impact, this bill does not alter or expand any of the HCA's current operations or services.

# Public Employees Benefits Board (PEBB) and School Employees Benefits Board (SEBB) Program Service-related Impact

No fiscal impact. Cost projections and downstream premiums may change if hospital at-home services are billed differently than in-hospital services by the acute-care hospitals and if more people have access to, and utilize, in-home care. This is not anticipated to impact PEBB and SEBB benefit costs.

#### **Apple Health Service-related Impact**

No fiscal impact. HCA assumes no impact to benefit costs as written as the bill is not directing HCA to cover/pay for hospital at-home services.

Prepared by: Melinda Helberg Page 2 3:09 PM 02/15/24

Bill Number: 6101 SSB AMS CLEV S489.1 HCA Request #: 24-166 Title: Hospital At-Home Services

### **Part III: Expenditure Detail**

III. A - Operating Budget Expenditure

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.

NONE

III. D - Expenditures By Program (optional)

NONE

#### **Part IV: Capital Budget Impact**

IV. A - Capital Budget Expenditures

**NONE** 

IV. B - Expenditures by Object Or Purpose

NONE

**IV. C - Capital Budget Breakout:** Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.

NONE

#### **Part V: New Rule Making Required**

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

NONE

Prepared by: Melinda Helberg Page 3 3:09 PM 02/15/24

Bill Number: 6101 SSB AMS CLEV S489.1 HCA Request #: 24-166 Title: Hospital At-Home Services

# **Individual State Agency Fiscal Note**

Gill Number: 6101 S S CLEV S		Hospital at-home s	ervices	Ag	gency: 303-Departme	nt of Health
art I: Estimates	7					
No Fiscal Impact						
Estimated Cash Receipts	s to:					
ACCOUNT		FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-Private/Lo	ocal 001-7				116,000	56,000
	Total \$				116,000	56,000
		•	•	•		
Estimated Operating Ex	xpenditures from:	EV 0004	FY 2025	2023-25	I 0005 07	2027 20
FTE Staff Years		<b>FY 2024</b>	0.6	0.3	<b>2025-27</b>	<b>2027-29</b>
Account		0.0	0.0	0.3	0.0	U.
General Fund-Private/Lo	ocal 001	0	161,000	161,000	281,000	120,00
-7			·	,	,	,
	Total \$	0	161,000	161,000	281,000	120,00
stimated Capital Budge	et Impact:					
stimated Capital Budge	et Impact:					
	et Impact:					
-	et Impact:					
	et Impact:					
-	et Impact:					
	et Impact:					
-	et Impact:					
NONE	penditure estimates on thi	is page represent the	e most likely fiscal imp	pact. Factors imp	acting the precision of th	nese estimates,
NONE	penditure estimates on the		e most likely fiscal imp	pact. Factors imp	acting the precision of th	nese estimates,
NONE  The cash receipts and exp	penditure estimates on th appropriate), are explaine	ed in Part II.	e most likely fiscal imį	vact. Factors imp	acting the precision of th	nese estimates,
The cash receipts and expand alternate ranges (if a Check applicable boxes)	penditure estimates on th appropriate), are explaine	ed in Part II.  ding instructions:				
The cash receipts and expand alternate ranges (if a Check applicable boxes  X If fiscal impact is g form Parts I-V.	penditure estimates on the appropriate), are explaine s and follow correspone	ed in Part II.  ding instructions:  r fiscal year in the	current biennium o	r in subsequent l	piennia, complete enti	re fiscal note
The cash receipts and expand alternate ranges (if a Check applicable boxes  X If fiscal impact is g form Parts I-V.  If fiscal impact is left.	penditure estimates on the appropriate), are explained and follow correspondereater than \$50,000 per	ed in Part II.  ding instructions:  r fiscal year in the	current biennium o	r in subsequent l	piennia, complete enti	re fiscal note
The cash receipts and expand alternate ranges (if a Check applicable boxes X If fiscal impact is g form Parts I-V.  If fiscal impact is lower capital budget imp	penditure estimates on the appropriate), are explained and follow correspondates and follow sometimes and \$50,000 per firester than \$50,000 per fire	ed in Part II.  ding instructions:  fiscal year in the  scal year in the cur	current biennium o	r in subsequent l	piennia, complete enti	re fiscal note

Donna Compton

Cynthia Hollimon

Amy Burkel

Legislative Contact:

Agency Preparation:

Agency Approval:

OFM Review:

Date: 02/15/2024

Date: 02/20/2024

Date: 02/20/2024

Date: 02/22/2024

Phone:

Phone: 360-236-4538

Phone: (360) 810-1979

Phone: 3602363000

#### Part II: Narrative Explanation

#### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The fiscal impact has not changed from the previous fiscal note on substitute senate bill 6101. This amendment amends the language in section 2 regarding the standards the department of health (department) shall set during the rulemaking process. The change in section 2 does not add any work to the department, therefore no change in fiscal impact.

The bill establishes a regulatory structure for licensed acute care hospitals to provide hospital at-home services.

Section 2(2)(a): Adds a new chapter 70.41 RCW (Hospital Licensing and Regulation) requiring the department to adopt rules by December 31, 2025, to implement this act and add hospital at-home services to an acute care hospital license. The department will need to establish standards, and the department must endeavor to make standards substantially similar to the provisions of the federal program.

Section 2(2)(c): Adds a new chapter 70.41 RCW (Hospital Licensing and Regulation) allowing the department to set a one-time application fee for the hospital at-home service in rule but states that the fees charged may not exceed the actual cost of staff time to review and that the administration of the program must be covered by existing licensing fees.

Section 5(14): Amends RCW 70.38.111 (Certificate of Need - Exemptions) stating hospital at-home services, as defined in section 2 of this act, are not subject to certificate of need review under this chapter.

Section 6: States this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions and takes effect immediately.

#### II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Current law, RCW 43.70.250 (License fees for professions, occupations, and businesses) requires that a business-licensing program be self-supporting and sufficient revenue be collected through fees to fund expenditures. As of July 1, 2023, the acute care hospital regulatory program had a fund balance of \$518,000. This fund balance is below the required reserve of \$800,000, which is 25% of yearly expenditures. The department is currently in the process of conducting a fee study for the program and if this bill is passed as written the department will adjust the fee as needed to account for these costs.

Section 2(a): The department may set a one-time application fee in rule. The fees charged may not exceed the actual cost of staff time to review. The administration of the program must be covered by existing licensing fees. In the state of Washington, 50% of the hospitals are considered medium to large. Based on current data of hospitals who have applied for the Centers for Medicare & Medicaid Services (CMS) hospitals at-home waiver, the department anticipates 25 applications in the first three years after the rules go into effect. The department will determine the one-time application fee during the rules process. The department expects this fee to be between \$5,600 and \$5,800 per application.

FY 2026 - \$58,000 (10 applications) (GF-L) FY 2027 - \$58,000 (10 applications) (GF-L) FY 2028 - \$28,000 (5 applications) (GF-L)

#### II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

#### Rulemaking

Section 2 (a) & (b): The department will develop and adopt rules to Chapter 246-320 WAC (Hospital Licensing and Regulation) by December 31, 2025. The department anticipates utilizing a team of subject matter experts to implement this bill. This team will consist of the program manager and a community engagement specialist to identify underreached communities and engage them in the rulemaking process. Based on the department's experience with rules, the department anticipates rulemaking to be complex. Complex rulemaking will require a rules project coordinator to support subject matter experts and ensure timely completion of rulemaking. This rule package is extended to identify specific groups who have previously had access barrier to engagement with the department as well as giving the department the ability to expand community engagement and conduct additional workshops and listening sessions. This process will include six meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 18 months to complete. The department anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing.

Costs include staff, associated expenses (including goods and services, travel, intra-agency, and indirect charges), and Office of Attorney General support in the amount of \$9,000.

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FY 2025 costs will be 0.3 FTE and $58,000 (GF-L) FY 2026 costs will be 0.2 FTE and $30,000 (GF-L)
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#### Application Review

Section 2 (b): The department may set a one-time application fee in rule. The fees charged may not exceed the actual cost of staff time to review. Based on information from the Center for Medicare and Medicaid Services about the time required to review applications, the department expects the review of each application to take 48 hours of a Nursing Consultant Institutional. The department expects to receive and review 10 applications in FY 2026, 10 applications in FY 2027, and 5 applications in FY 2028.

```
FY 2026 costs will be 0.3 FTE and $58,000 (GF-L) FY 2027 costs will be 0.3 FTE and $58,000 (GF-L) FY 2028 costs will be 0.1 FTE and $28,000 (GF-L)
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#### Investigation and Inspection

Section 2: The department is expecting 25 new applications for Acute Care hospital at-home services.

Inspection - The department will conduct routine inspections for acute care hospital at-home services and will review facility inspections once within a three-year period for compliance with the minimum operating and patient care standards. The department assumes an average inspection to take 16 hours per routine inspection.

Investigations - The department is expecting to receive three additional complaints per year. Since the department has begun the regulation of acute care hospitals, the department has learned that the investigations of these facilities can easily become complicated with many safety risks. The investigations need to be conscientious to the safety of patients, facility staff, and the department's staff conducting the investigation.?

The complaint response process includes five steps: 1) intake, 2) assessment, 3) investigation, 4) case disposition, and 5) adjudication.? Staff review the complaint, identify the history of the facility? complained about, and help assess whether an investigation is needed. The investigator obtains information about the complaint and the respondent, then? prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys,

paralegals, assistant attorney general, and other staff work to develop the legal documents and charge the violation.? Most cases are settled, and the staff attorney manages that process. If the respondent asks for a hearing, staff must schedule the hearing, and the health law judge considers all legal motions, presides over the hearing, and drafts the final order.? Also, the Office of the Attorney General will represent the department at hearings and may provide advice throughout the enforcement process.

FY 2026 costs and ongoing will be 0.2 FTE and \$34,000 (GF-L)

Office of Information Technology (OIT)

Section 2: OIT Staff will be required to modify the Healthcare Enforcement and Licensing Modernization Solution (HELMS) to create an option of hospital at home on an acute care hospital license. Configuration in HELMS will also require 154 additional hours from the integration vendor at a rate of \$270 per hour, for a total of \$41,500 in FY 2025.

FY 2025 costs will be 0.3 FTE and \$103,000 (GF-L) FY 2026 costs will be 0.2 FTE and \$41,000 (GF-L) FY 2027 and ongoing will be 0.1 FTE and \$12,000 (GF-L)

Office of Customer Service (OCS)

Section 2: This bill requires OCS to update two applications to include the option for hospital at home. Work will include e-form development, updating paper applications, testing and use case development. The bill will require OCS to process the expected 25 applications.

FY 2026 costs will be 0.1 FTE and \$7,000 (GF-L) FY 2027 costs will be 0.1 FTE and \$7,000 (GF-L)

#### Total costs to Implement this bill:

FY 2025 costs will be 0.6 FTE and \$161,000 (GF-L)

FY 2026 costs will be 0.9 FTE and \$170,000 (GF-L)

FY 2027 costs will be 0.6 FTE and \$111,000 (GF-L)

FY 2028 costs will be 0.4 FTE and \$74,000 (GF-L)

FY 2029 costs will be 0.2 FTE and \$46,000 (GF-L)

## Part III: Expenditure Detail

#### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-7	General Fund	Private/Lo	0	161,000	161,000	281,000	120,000
		cal					
		Total \$	0	161,000	161,000	281,000	120,000

#### III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.6	0.3	0.8	0.3
A-Salaries and Wages		60,000	60,000	154,000	68,000
B-Employee Benefits		21,000	21,000	49,000	21,000
C-Professional Service Contracts		42,000	42,000	1,000	
E-Goods and Other Services		32,000	32,000	63,000	24,000
T-Intra-Agency Reimbursements		6,000	6,000	14,000	7,000
9-					
Total \$	0	161,000	161,000	281,000	120,000

III. C - Operating FTE Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
HEALTH SERVICES CONSULTAN	86,208		0.1	0.1	0.1	
4						
IT APPLICATION DEVELOPMENT	104,028		0.1	0.1		
JOURNEY						
IT BUSINESS ANALYST - JOURNI	104,028		0.1	0.1		
IT QUALITY ASSURANCE -	104,028		0.1	0.1		
JOURNEY						
IT SYSTEM ADMINISTRATION -	109,260		0.1	0.1	0.1	
JOURNEY						
MANAGEMENT ANALYST 4	86,208		0.1	0.1	0.2	0.1
NURSING CONSULTANT,	111,156				0.5	0.3
INSTITUTIONAL						
Total FTEs			0.6	0.3	0.8	0.3

#### III. D - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

**NONE** 

IV. B - Expenditures by Object Or Purpose

NONE

#### IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.

NONE

## Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 2: The department will develop and adopt rules to Chapter 246-320 WAC (Hospital Licensing Regulations) as necessary to implement this bill.

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number:	6101 S SB AMS CLEV S4891.1	Title:	Hospital at-hon	ne services			
Part I: Juri	i <b>sdiction-</b> Locati	on, type o	r status of polit	ical subdivision defines range of fiscal impacts.			
Legislation 1	Impacts:						
Cities:							
Counties:							
X Special Dist	-	-		pital at-home services; Cost to public hospital districts to provide and spital revenue generated from offering hospital at-home services			
Specific juri	sdictions only:						
Variance occ	curs due to:						
Part II: Es	timates						
No fiscal in	npacts.						
Expenditure	es represent one-time	costs:					
X Legislation	provides local option	: Public l	nospital districts h	ave the option to apply for and offer hospital at-home services			
X Key variabl	es cannot be estimate	d with certa	inty at this time:	Cost to public hospital districts to setup hospital at-home services; Cost to public hospital districts to operate hospital at-home services; Public hospital revenue generated from offering hospital at-home services			
Estimated reve	enue impacts to:						
Non-zero but indeterminate cost and/or savings. Please see discussion.							
Estimated expenditure impacts to:							
Nan zara but indatarminata cast and/or savings. Pleasa saa discussion							

# Part III: Preparation and Approval

Fiscal Note Analyst: Brandon Rountree	Phone: (360) 999-7103	Date: 02/15/2024
Leg. Committee Contact:	Phone:	Date: 02/15/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/15/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/15/2024

Page 1 of 3 Bill Number: 6101 S SB AMS CLEV S4891.1

## Part IV: Analysis

#### A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

#### CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Added and removed language from Sec. 2 (2) (a) that:

- Requires DOH to consider the provisions of the federal program and try to make the standards substantially similar;
- The standards may not include requirements that would make a hospital ineligible for or preclude a hospital from complying with the requirements of the federal program; and
- DOH can adopt additional standards to promote safe care and treatment of patients as needed.

#### SUMMARY OF CURRENT BILL:

Overview: Authorizes licensed hospitals to setup, provide, and operate hospital at-home services.

#### Sec. 1:

- (1) (a) Defines "Hospital at home" as a service that provides safe and effective care, improved outcomes, and patient benefits.
- (1) (b) Highlights how the hospital care at-home program offered by Washington hospitals during the COVID-19 pandemic reduced patient readmissions and treatment periods, in addition to patients reporting higher rates of satisfaction.
- (1) (c) Legislature finds that the continuation of this program would benefit patients in Washington.
- (1) (d) Legislature believes the immediate authorization of this service is necessary to preserve continuity of care and the provision of services without disruption.
- (2) The legislature intends to authorize acute care hospitals licensed under this chapter to continue providing hospital at-home services and direct the Department of Health (DOH) to adopt rules including those services among those that may be offered by such hospitals.

#### Sec. 2 (New section RCW 70.41):

- (1) Hospitals subject to this chapter can provide hospital at-home services if they secure a federal program waiver prior to when the department adopts rules. Hospitals that secure a federal program waiver and intend to operate hospital at-home service within Washington state must notify the department within 30 days of the effective date of this section.
- (2) (a) The department must adopt rules by December 31, 2025. The rules must establish standards for the operation of a hospital at-home program. The standards must be substantially similar to the provisions of the federal program. In establishing the initial standards, DOH must consider the provisions of the federal program and endeavor to make the standards substantially similar. The standards may not include requirements that would make a hospital ineligible for or preclude a hospital from complying with the requirements of the federal program. DOH can adopt additional standards to promote safe care and treatment of patients as needed.
- (2) (b) Establishes that hospitals must continue to follow federal program requirements if the federal program expires. DOH will enforce these requirements until they adopt rules.
- (2) (c) Once the rules are established, hospitals can apply for department approval to add hospital at-home services as a hospital service line. Hospitals can provide hospital at-home services while applying for approval if they secure a federal program waiver before the rules are adopted. The Department can charge a one-time application fee that cannot exceed the actual cost of staff time to review.
- (3) Hospital at-home services are not subject to RCW 70.126 or 70.127.
- (4) Hospital at-home services do not count as an increase in number of licensed hospital beds and are not subject to RCW 70.38.

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- (5) (a) Defines "Hospital at-home services" as acute care services provided by licensed acute care hospitals to patients outside of the hospital's licensed facility and within a home or any location determined by the patient.
- (5) (b) Defines "Federal program" as the acute hospital care at-home program established by the federal centers for Medicare and Medicaid.

Sec. 3 (New section RCW 70.126):

RCW 70.126 does not apply to hospital at-home services provided by acute care hospitals (RCW 70.41).

Sec. 4 (Amends RCW 70.127.040):

(20) Adds language that requires hospital at-home services to be pursuant to section 2 of this act.

Sec. 5 (Amends RCW 70.38.111):

(14) Adds language which establishes that hospital at-home services are not subject to certification of need review under this chapter.

#### B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

#### CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

There were no changes made between versions that would change the expenditure impact of the bill on public hospital districts.

#### EXPENDITURE IMPACTS OF CURRENT BILL:

This legislation would have an indeterminate expenditure impact on public hospital districts.

If a public hospital was to setup and operate hospital at-home services, the impact on public hospital district expenditures would be indeterminate because there is no available information to estimate the cost of setting up, providing, or operating hospital at-home services that are pursuant with this legislation. However, the Washington State Hospital Association (WSHA) are expecting the setup cost of hospital at-home services to be substance. Additionally, WSHA has reported that large number of both public and private hospitals have expressed a high-level of interest in setting up and offering hospital at-home services.

#### C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

#### CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

There were no changes made between versions that would change the revenue impact of the bill on public hospital districts.

#### REVENUE IMPACTS OF CURRENT BILL:

This legislation would have an indeterminate revenue impact on public hospital districts.

If a public hospital was to set up and operate hospital at-home services, the impact on public hospital district revenue would be indeterminate. There is no available data that could be used to estimate the possible revenue of hospitals offering hospital at-home services. WSHA reported that hospital at-home services have been offered during the COVID-19 pandemic but there is no available public data.

#### SOURCES:

Washington State Hospital Association (WSHA)

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