

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1072 HB	<b>Title:</b> Health care services
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## Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	142,000	0	0	522,000	0	0	522,000
Department of Health	0	0	575,000	0	0	2,300,000	0	0	2,300,000
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>717,000</b>	<b>0</b>	<b>0</b>	<b>2,822,000</b>	<b>0</b>	<b>0</b>	<b>2,822,000</b>

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Fiscal note not available					
Local Gov. Total						

## Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Attorney General	.5	0	0	142,000	1.7	0	0	522,000	1.7	0	0	522,000
Office of Financial Management	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	6.3	1,475,500	1,475,500	2,044,000	7.2	82,000	82,000	2,308,000	7.2	82,000	82,000	2,308,000
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.											
<b>Total \$</b>	<b>6.8</b>	<b>1,475,500</b>	<b>1,475,500</b>	<b>2,186,000</b>	<b>8.9</b>	<b>82,000</b>	<b>82,000</b>	<b>2,830,000</b>	<b>8.9</b>	<b>82,000</b>	<b>82,000</b>	<b>2,830,000</b>

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

## Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Breakout

This is a preliminary fiscal note package and may not reflect the total estimated impact.

<b>Prepared by:</b> Amy Hatfield, OFM	<b>Phone:</b> (360) 280-7584	<b>Date Published:</b> Preliminary 2/ 4/2025
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1072 HB	<b>Title:</b> Health care services	<b>Agency:</b> 100-Office of Attorney General
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
Legal Services Revolving Account-State 405-1		142,000	142,000	522,000	522,000
<b>Total \$</b>		142,000	142,000	522,000	522,000

### Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.0	1.0	0.5	1.7	1.7
<b>Account</b>					
Legal Services Revolving Account-State 405-1	0	142,000	142,000	522,000	522,000
<b>Total \$</b>	0	142,000	142,000	522,000	522,000

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/07/2025
Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 01/10/2025
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 01/10/2025
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/16/2025

## 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.*

Section 1: New section. Legislative findings and intent.

Section 2: Definitions.

Section 3: New section. Prohibits a health care entity from engaging in a health care transaction which may affect access to protected health care services without prior approval from the Department of Health (DOH). Establishes application requirements for prior approval.

Section 4: New section. Requires DOH to assess the completeness of the application. Requires DOH to publish notice of completed applications and provide completed applications to the Attorney General's Office (AGO).

Section 5: New section. Establishes processes for DOH review of completed applications, including consultation with the AGO to ensure applicants are in compliance with Chapter 19.390 RCW.

Section 6: New section. Allows DOH to approve or approve with conditions only applications that meet specified standards relating to reduction in access to protected healthcare services. Requires DOH to consider certain specified information alongside the application.

Section 7: New section. Requires DOH to make a final determination regarding an application in writing within 60 days of receipt of a completed application and provide notice according to the procedures in Section 4(2) of the act. Establishes requirements for any modifications or conditions DOH places on applications. Specifies that a health care entity affected by a final decision has the right to an adjudicative proceeding under the Administrative Procedures Act (Act).

Section 8: New section. Allows AGO to seek an injunction to prevent a health care transaction for which DOH approval is required by the Act that is not approved by DOH as required.

Section 9: New section. Requires DOH to require parties to a health care transaction subject DOH approval under the Act to provide annual reports for a period of not more than three years after the completion of the transaction.

Section 10: New section. Allows DOH to adopt rules to implement the Act and contract with qualified persons to assist in determining whether the requirements of Section 6 have been met.

Section 11: New section. Requires DOH, in coordination with Office of Financial Management (OFM) and health districts, to create a report on existing access to protected health services and community health care services within individual health districts and statewide. Specifies that the report is due by December 1, 2026, and must be updated at least every two years.

Section 12: Amends RCW 43.370.030. Modifies the statewide health resources strategy by including new requirements for analysis related to protected health care services and community health care services.

Section 13: New section. Codification instruction.

Section 14: New section. Severability clause.

Section 15: New section. Effective dates.

## 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.*

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agency is Department of Health (DOH). The Attorney General's Office (AGO) Agriculture & Health Division (AHD) will bill for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agency's fiscal note. Appropriation authority is necessary in the AGO budget.

### AGO AGENCY ASSUMPTIONS:

DOH will be billed for non-King County rates:

FY 2027: \$142,000 for 0.5 Assistance Attorney General (AAG) and 0.3 Paralegal 1 (PL1).

FY 2028 and in each FY thereafter: \$261,000 for 0.9 AAG and 0.5 PL1.

## 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.*

Legal services associated with the enactment of this bill will begin on July 1, 2026.

Location of staffing is assumed to be in a non-King County office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

### 1. Assumptions for the AGO Agriculture & Health Division (AHD) Legal Services for the Department of Health (DOH):

The AGO will bill DOH for legal services based on the enactment of this bill.

This bill would require health care entities to submit applications to engage in health care transactions to DOH for its review to determine effects of the transactions on protected health care services. DOH will require advice on initial implementation of the bill and rulemaking, as authorized in Section 10, estimated based on experience providing legal advice for similar programs and bills to total 120 hours in FY27. DOH will require advice on ongoing implementation of the bill and program administration, estimated based on experience providing legal advice for similar programs and bills to total 80 hours per FY starting in FY28. Section 7 entitles applicants to administrative hearings for review of DOH decisions denying applications or granting applications with modifications or conditions. This will require AAG advice on applications and representation in administrative hearings. Based on past legal work for DOH's Certificate of Need Program, this is estimated to be 750 hours in FY27 and 1,500 hours in each subsequent FY.

AHD: Total non-King County workload impact:

FY 2027: \$142,000 for 0.5 Assistance Attorney General (AAG) and 0.3 Paralegal 1 (PL1).

FY 2028 and in each FY thereafter: \$261,000 for 0.9 AAG and 0.5 PL1.

2. The AGO Revenue Division (REV) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Office of Financial Management (OFM). New legal services are nominal, and costs are not included in this request.

### Part III: Expenditure Detail

#### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
405-1	Legal Services Revolving Account	State	0	142,000	142,000	522,000	522,000
Total \$			0	142,000	142,000	522,000	522,000

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

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years		1.0	0.5	1.7	1.7
A-Salaries and Wages		97,000	97,000	356,000	356,000
B-Employee Benefits		29,000	29,000	108,000	108,000
E-Goods and Other Services		15,000	15,000	54,000	54,000
G-Travel		1,000	1,000	4,000	4,000
J-Capital Outlays					
Total \$	0	142,000	142,000	522,000	522,000

#### 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 2026	FY 2027	2025-27	2027-29	2029-31
Assistant Attorney General	132,912		0.5	0.3	0.9	0.9
Management Analyst 5	98,040		0.2	0.1	0.3	0.3
Paralegal 1	71,148		0.3	0.2	0.5	0.5
Total FTEs			1.0	0.5	1.7	1.7

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

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Agriculture & Health Division (AHD)		142,000	142,000	522,000	522,000
Total \$		142,000	142,000	522,000	522,000

### 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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1072 HB	<b>Title:</b> Health care services	<b>Agency:</b> 105-Office of Financial Management
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## Part I: Estimates

☒ **No Fiscal Impact**

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/07/2025
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 01/17/2025
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 01/17/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 01/21/2025



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.

Section 11 directs the Department of Health, in coordination with the Office of Financial Management (OFM), to create a report on existing protected health services and community health care services within health districts and the state. OFM’s Health Care Research Center (HCRC) conducts health care services research in the Forecasting and Research Division. This team has access to a variety of health care services databases and routinely conducts research on health care access and utilization. For this section, OFM can provide analytical and statistical services.

Section 12(3)(b) adds to RCW 43.370 additional information OFM should provide in a health care facilities and services plan specific to protected health care services and community health care services.

Section 12(3)(b)(i) adds to RCW 43.370 additional details in the inventory of each geographic region’s existing health care facilities and services.

OFM has documented in two reports (listed below) the issues with creating an inventory of health care facilities without an existing health care facilities database. Even with these limitations, OFM staff have conducted related research on distance traveled for care, geographic variations in care, hospital mergers and acquisitions, and utilization of health care services across the perinatal period. OFM will create a website that places all of these documents in the same location for public view.

- Strategic Health Planning: A Progress Report:  
([https://ofm.wa.gov/sites/default/files/public/dataresearch/healthcare/utilization\\_quality/OFM\\_Strategic\\_Health\\_Planning\\_2010.pdf](https://ofm.wa.gov/sites/default/files/public/dataresearch/healthcare/utilization_quality/OFM_Strategic_Health_Planning_2010.pdf))
- Hospital care utilization Washington 2010-22:  
([https://ofm.wa.gov/sites/default/files/public/dataresearch/healthcare/utilization\\_quality/Hospital\\_Care\\_Utilization\\_2010-22.pdf](https://ofm.wa.gov/sites/default/files/public/dataresearch/healthcare/utilization_quality/Hospital_Care_Utilization_2010-22.pdf))

The HCRC already conducts health care services research. The proposed bill language identifies specific health care services to include in the research portfolio within given capacity. There is no fiscal impact to OFM.

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.

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.

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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1072 HB	<b>Title:</b> Health care services	<b>Agency:</b> 303-Department of Health
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## Part I: Estimates

☐

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
General Fund-Private/Local 001-7		575,000	575,000	2,300,000	2,300,000
<b>Total \$</b>		575,000	575,000	2,300,000	2,300,000

### Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	5.3	7.2	6.3	7.2	7.2
<b>Account</b>					
General Fund-State 001-1	891,000	584,500	1,475,500	82,000	82,000
General Fund-Private/Local 001-7	0	568,500	568,500	2,226,000	2,226,000
<b>Total \$</b>	891,000	1,153,000	2,044,000	2,308,000	2,308,000

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

☒

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

☐

If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☒

Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/07/2025
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 01/15/2025
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/15/2025
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 01/15/2025

## 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.*

This bill adds a new chapter to Title 70 RCW (Public Health and Safety) directing the department of health (department) to review certain health care business transactions which could affect access to protected health care services while balancing access to community health services; giving authority to the department to approve, approve with conditions or modifications, or deny health care business transactions, and establishing the process and requirements for such determination.

Section 3(2): Adds a new chapter to Title 70 RCW (Public Health and Safety) requiring the department to develop a health care transaction application. The application must be submitted to the department no less than 60 days prior to the effective date of the transaction.

Section 3(4): Adds a new chapter to Title 70 RCW (Public Health and Safety) directing the department to charge an application fee sufficient to cover the costs of implementing this chapter.

Section 4(1)(2): Adds a new chapter to Title 70 RCW (Public Health and Safety) requiring the department to determine if the application is complete. Within five working days of receipt of a completed application, the department shall publish notice of the application on the department's publicly accessible website and in a newspaper of general circulation in the county or counties where the health care entity is located and shall notify by first-class United States mail, email, or fax any person who has requested notice of the filing of such applications.

Section 5(1): Adds a new chapter to Title 70 RCW (Public Health and Safety) directing the department to conduct a review and issue a final determination within 60 days, or the health care transaction is deemed approved.

Section 7(1)(2): Adds a new chapter to Title 70 RCW (Public Health and Safety) directing the department to make a final determination regarding an application within 60 days of receipt of a completed application. The department shall make its final determination in writing.

Section 9: Adds a new chapter to Title 70 RCW (Public Health and Safety) requiring the department to collect annual reports from the parties to a health care transaction that were subject to review. The department shall require annual reports under this section for a period of not more than three years.

Section 10: The department shall adopt rules necessary to implement this chapter.

Section 11: Adds a new chapter to Title 70 RCW (Public Health and Safety) requiring the department to coordinate with the office of financial management (OFM) to create a report on existing access to protected health care services and community health care services. The report must include a description of relevant population demographics. The report must be made publicly available by December 1, 2026, and be updated no less frequently than every two years.

Section 15: This act takes effect December 1, 2026, and applies to health care transactions with an effective date on or after the effective date of this act, except for section 9 which takes effect July 1, 2026.

### 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.*

Section 3(4): The department shall charge an application fee sufficient to cover the costs of implementing this chapter. The department views this bill as the creation of a new program and is requesting General Fund State (GF-S) to cover the costs

to establish this program. Once the bill takes effect on December 1, 2026, and the department begins to review applications, the costs of the program will be covered by the application fees.

Over the last four years, the Office of the Attorney General (AG) has averaged 38 material change transactions per year. Based on the information from the AG, as well as the definitions provided in the bill, the department anticipates reviewing 50 health care transactions per year. The department expects to charge an application fee of \$23,000 per health care transaction application to cover the costs to implement this bill.

FY 2027: \$575,000 (25 applications) – GF-L

FY 2028: \$1.15M (50 applications) – GF-L

FY 2029: \$1.15M (50 applications) – GF-L

FY 2030: \$1.15M (50 applications) – GF-L

FY 2031: \$1.15M (50 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.*

### **Office of Health and Science (OHS)**

Section 11: OHS will require 0.2 FTE of an Epidemiologist 3 starting FY26 and ongoing for each reporting period. This position will perform analysis of induced termination of pregnancy (ITOP) and Death with Dignity Act data for a biannual protected healthcare report to the legislature.

FY 2026 and ongoing costs will be 0.2 FTE and \$41,000 (GF-S)

### **Health Systems Quality Assurance (HSQA)**

#### **Rulemaking**

Section 10: The department will add a new chapter to WAC 246 (department of health). 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 work, 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 an 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.

FY 2026 costs will be 0.3 FTE and \$59,000 (GFS)

FY 2027 costs will be 0.2 FTE and \$30,000 (GFS)

### **HSQA- Office of Information Technology (OIT)**

Section 3(2): OIT staff will be required to establish an application e-form portal for application submission and a portal for

public comments in the Healthcare Enforcement and Licensing Modernization Solution (HELMS). Work will include configuration of two new e-form portals with upload capabilities, data service and interface for reports and dashboards and data support for use case, validation requirements, letters/templates, forms and assistance with testing and additional developments as needed. Configuration in HELMS will require approximately 1660 additional hours from the integration vendor at a rate of \$200 per hour for a total of \$332,000.

FY 2026 costs will be \$224,000 (GF-S)

FY 2027 costs will be 0.5 FTE and \$147,500 (GF-S) and \$34,500 (GF-L)

FY 2028 and ongoing, costs will be 0.2 FTE and \$45,000 (GF-L)

#### HSQA-Office of Community Health Systems (OCHS)

Section 3-7, 9 and 11: The department will develop a health care transaction application. Once an application is submitted, and after completing a review, the department will issue a determination—approval, approval with conditions or modifications, or disapproval—within 60 days, and will participate in depositions and hearings to defend appeals. This work will be completed by the positions listed below.

1.0 FTE Lead MA5: The MA5 will lead and supervise the team and be responsible for the coordination between state agencies, collaborate rulemaking efforts to implement this bill and will work to determine the procedures for application submission, review, and the setting of application fees. Annually, this position will support a process to review and validate that all required reports under Section 9 are completed. Additionally, as outlined in Section 11, this position will collaborate with the Office of Financial Management (OFM) to update the Statewide Health Resources Strategy based on applicant data. Every two years this position will develop the report on existing access to protected health services and community health care services, while ensuring protected health information remains confidential.

2.0 FTE MA5: These positions will communicate with each applicant, ensure notice of review is published in the newspaper and website, review input from local health jurisdictions and the public, on applications, conduct application review, present summary of review to management, draft determination, and defend appeals including participating in depositions and hearings. On an annual basis, the MA5s will review records to validate if applicants submitted the required reports under Section 9. All reports will be collected and posted to the public website.

1.0 FTE Administrative Assistant 3: This position will review initial applications for completeness, review and process the fee, communicate with applicants about review, confirm completed applications, publish notices of review in the newspaper and website, and schedule and coordinate hybrid public hearings. This position will also assist with web and GovDelivery communications.

0.5 FTE Health Services Consultant 3: This position will support the collection and aggregation of data to support the requirement to develop a report and coordinate with OFM to create a report on existing access to protected health care services and community health care services.

The cost to publish a notice of review in the newspaper is \$850 per notice. The department anticipates 25 notices in FY 2027, costing \$21,250 and 50 notices per year beginning in FY 2028, costing \$42,500.

Based on similar application review, approval, and appeal processes within the Certificate of Need program, the department anticipates Office of the Attorney General support in the amount of \$112,500 in FY 2027 and \$225,000 FY 2028 and ongoing.

FY 2026 costs will be 4.7 FTE and \$567,000 (GF-S)

FY 2027 costs will be 6.5 FTE and \$366,000 (GF-S) and \$534,000 (GF-L)

FY 2028 and ongoing costs will be 6.8 FTE and \$1.07M (GF-L)

Total Cost to Implement this Bill:

FY 2026 costs will be 5.2 FTE and \$891,000 (GF-S)

FY 2027 costs will be 7.3 FTE and \$584,500 (GF-S) and \$568,500 (GF-L)

FY 2028 and ongoing costs will be 7.2 FTE and \$41,000 (GF-S) and \$1.1M (GF-L)

Total costs include staff and associated expenses (including goods and services, travel, intra-agency, and indirect/overhead costs)

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	891,000	584,500	1,475,500	82,000	82,000
001-7	General Fund	Private/Local	0	568,500	568,500	2,226,000	2,226,000
Total \$			891,000	1,153,000	2,044,000	2,308,000	2,308,000

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

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	5.3	7.2	6.3	7.2	7.2
A-Salaries and Wages	405,000	575,000	980,000	1,118,000	1,118,000
B-Employee Benefits	157,000	221,000	378,000	432,000	432,000
C-Professional Service Contracts	221,000	112,000	333,000		
E-Goods and Other Services	58,000	197,000	255,000	666,000	666,000
J-Capital Outlays	12,000		12,000		
T-Intra-Agency Reimbursements	38,000	48,000	86,000	92,000	92,000
9-					
Total \$	891,000	1,153,000	2,044,000	2,308,000	2,308,000

### 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 2026	FY 2027	2025-27	2027-29	2029-31
ADMINISTRATIVE ASSISTANT 3	54,204	1.0	1.0	1.0	1.0	1.0
EPIDEMIOLOGIST 3 (NON-MEDICAL)	116,556	0.2	0.2	0.2	0.2	0.2
Fiscal Analyst 2	53,000	0.7	1.3	1.0	1.4	1.4
HEALTH SERVICES CONSULTANT 3	80,460	0.5	0.5	0.5	0.5	0.5
HEALTH SERVICES CONSULTANT 4	88,800	0.2	0.1	0.2		
Health Svcs Conslt 1	53,000	0.5	0.8	0.7	0.9	0.9
IT APP DEVELOPMENT - JOURN	107,148		0.1	0.1	0.1	0.1
IT BUSINESS ANALYST - JOURNEY	107,148		0.1	0.1	0.1	0.1
MANAGEMENT ANALYST 4	88,800	0.2	0.1	0.2		
MANAGEMENT ANALYST 5	98,040	2.0	3.0	2.5	3.0	3.0
Total FTEs		5.3	7.2	6.3	7.2	7.2

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Office of Health & Science (010)	36,000	36,000	72,000	72,000	72,000
Division of Health Systems Quality Assurance (060)	770,000	987,000	1,757,000	1,952,000	1,952,000
Adminstration (090)	85,000	130,000	215,000	284,000	284,000
Total \$	891,000	1,153,000	2,044,000	2,308,000	2,308,000

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 10: The department will add a new chapter to WAC 246, department of health, as necessary to implement this bill.



# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1072 HB	<b>Title:</b> Health care services	<b>Agency:</b> 360-University of Washington
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/07/2025
Agency Preparation: Michael Lantz	Phone: 2065437466	Date: 01/16/2025
Agency Approval: Michael Lantz	Phone: 2065437466	Date: 01/16/2025
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 01/16/2025

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.

House Bill 1072 concerns access to health care services. It creates a process for the Washington State Department of Health (DOH) to review and approve or deny transactions, including purchases, mergers, and joint ventures, between health care entities that may affect the provision of reproductive services, Death with Dignity services, and gender affirming care.

Below is a summary of the sections relevant to UW Medicine and the University of Washington:

Section 3 requires health care entities providing protected health care services, including specified reproductive services, death with dignity services, and gender affirming health care, engaging in transactions that may affect access to these services in one or more health districts to receive approval from DOH. It also specifies the application materials that must be submitted to DOH at least 60 days prior to the transaction and allows DOH to charge an application fee.

Section 4 directs DOH to determine whether the application is complete within 15 working days of receipt. DOH is also required to publish notice of a completed application as well as provide it to the Attorney General’s Office (AGO) within five working days of receipt.

Section 5 specifies that DOH must conduct a review and issue a final determination of the completed application within 60 days, requires DOH to consult with the AGO and affected health districts, and allows public hearings during the review.

Section 6 prohibits DOH from approving an application that foreseeably and meaningfully reduces access to protected health care services in one or more health districts. Allows exceptions if the health care entity has or plans to take sufficient safeguards to reduce reduction in access, there are sufficient alternative sources of care within the health district, or the health care transaction is necessary to preserve access to community health services. Specifies what additional information DOH should consider when reviewing the application.

Section 7 specifies the types of final determinations DOH can make. Specifies the form conditions and modifications required by DOH to the application can take.

Section 8 allows the AGO to seek an injunction to prevent health transactions not approved by DOH.

Section 9 directs DOH to require annual reports for up to three years after completion of a transaction.

Section 10 allows DOH to adopt rules necessary to implement this legislation and to contract with qualified persons to determine whether the provisions of Section 6 are met.

Section 11 directs DOH, along with the Office of Financial Management and in consultation with health districts, to create a report on existing access to protected health care services and community health care services. Specifies what much be included in the report and requires it be made publicly available by December 1, 2026, with updates no less than every two years thereafter.

Section 12 updates the statewide health resources strategy by DOH to include modification made by this measure.

Section 15 sets the measure’s effective date for December 1, 2026, except for Section 9, which takes effect July 1, 2025.

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.

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.

There are several provisions of HB 1072 that are likely to financially impact UW Medicine, a health care entity under the measure. However, while the extent of these costs is unclear, it is likely that they will be relatively minimal in a given year.

First, under Section 3 of the measure, UW Medicine would be required to submit an application to DOH if participating in a purchase, merger, or joint venture. While this application would be similar to information provided under RCW 19.390, it would likely be more substantive and require additional staff time to complete.

Next, Section 5 allows for public hearings during DOH’s review process. If hearings are scheduled, UW would likely need to participate, requiring additional staff time.

Meanwhile, Section 8 allows the AGO to seek an injunction to stop unapproved transactions. Separately, UW Medicine could seek to challenge a transaction that is not approved by DOH. Both scenarios would create legal costs. However, UW Medicine assumes any transactions it is a party to would either maintain, or expand, access to protected health care services and would therefore be approved in this process.

Finally, Section 9 requires annual reports from the parties to a health care transaction for up to three years after completion. Additional staff time will be needed to develop and submit these reports, should UW Medicine participate in any transactions.

Overall, the costs to UW Medicine, and the University as a whole, from HB 1072 are indeterminate, but likely to be less than \$50,000 per year.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

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.*



# Multiple Agency Ten-Year Analysis Summary

<b>Bill Number</b>	<b>Title</b>
1072 HB	Health care services

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

## Estimated Cash Receipts

	<b>Fiscal Year 2026</b>	<b>Fiscal Year 2027</b>	<b>Fiscal Year 2028</b>	<b>Fiscal Year 2029</b>	<b>Fiscal Year 2030</b>	<b>Fiscal Year 2031</b>	<b>Fiscal Year 2032</b>	<b>Fiscal Year 2033</b>	<b>Fiscal Year 2034</b>	<b>Fiscal Year 2035</b>	<b>2026-35 TOTAL</b>
Office of Attorney General	0	0	0	0	0	0	0	0	0	0	0
Office of Financial Management	0	0	0	0	0	0	0	0	0	0	0
Department of Health	0	575,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	9,775,000
University of Washington	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>575,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>1,150,000</b>	<b>9,775,000</b>



# Ten-Year Analysis

<b>Bill Number</b> 1072 HB	<b>Title</b> Health care services	<b>Agency</b> 100 Office of Attorney General
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

☒ **No Cash Receipts**      ☐ **Partially Indeterminate Cash Receipts**      ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 1/10/2025 6:38:05 pm
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 1/10/2025 6:38:05 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 1072 HB	<b>Title</b> Health care services	<b>Agency</b> 105 Office of Financial Management
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

☒ **No Cash Receipts**      ☐ **Partially Indeterminate Cash Receipts**      ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 1/17/2025 1:21:28 pm
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 1/17/2025 1:21:28 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 1072 HB	<b>Title</b> Health care services	<b>Agency</b> 303 Department of Health
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

☐ **No Cash Receipts**      ☐ **Partially Indeterminate Cash Receipts**      ☐ **Indeterminate Cash Receipts**

## Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	Fiscal Year 2034	Fiscal Year 2035	2026-35 TOTAL
General Fund Local	001		575,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	9,775,000
<b>Total</b>			575,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	9,775,000
<b>Biennial Totals</b>		575,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	9,775,000

## Narrative Explanation (Required for Indeterminate Cash Receipts)

These estimates are based on the assumption that the department will review 50 applications per year. The fee per application is expected to be set at \$23,000

Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 1/15/2025 10:56:25 am
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 1/15/2025 10:56:25 am
OFM Review:	Phone:	Date:





# Ten-Year Analysis

<b>Bill Number</b> 1072 HB	<b>Title</b> Health care services	<b>Agency</b> 360 University of Washington
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

☒ **No Cash Receipts**      ☐ **Partially Indeterminate Cash Receipts**      ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Michael Lantz	Phone: 2065437466	Date: 1/16/2025 12:32:12 pm
Agency Approval: Michael Lantz	Phone: 2065437466	Date: 1/16/2025 12:32:12 pm
OFM Review:	Phone:	Date: