

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5387 2S SB	<b>Title:</b> Corp practice of health care
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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
Department of Health	0	0	0	0	0	3,806,000	0	0	3,806,000
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,806,000</b>	<b>0</b>	<b>0</b>	<b>3,806,000</b>

## 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
Department of Financial Institutions	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	3.8	947,000	947,000	1,255,000	13.2	0	0	3,927,000	13.1	0	0	3,910,000
<b>Total \$</b>	<b>3.8</b>	<b>947,000</b>	<b>947,000</b>	<b>1,255,000</b>	<b>13.2</b>	<b>0</b>	<b>0</b>	<b>3,927,000</b>	<b>13.1</b>	<b>0</b>	<b>0</b>	<b>3,910,000</b>

## Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Financial Institutions	.0	0	0	.0	0	0	.0	0	0
Department of Health	.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>

## Estimated Capital Budget Breakout

NONE

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<b>Prepared by:</b> Amy Hatfield, OFM	<b>Phone:</b> (360) 280-7584	<b>Date Published:</b> Final 3/14/2025
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5387 2S SB	<b>Title:</b> Corp practice of health care	<b>Agency:</b> 102-Department of Financial Institutions
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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: 03/03/2025
Agency Preparation: Cale Zimmerman	Phone: (360) 902-0507	Date: 03/06/2025
Agency Approval: Emily Fitzgerald	Phone: (360) 902-8780	Date: 03/06/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	Date: 03/12/2025

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 second substitute includes a variety of technical changes, including an exemption for Health Maintenance Organizations and health care service contractors from the provisions of this bill, and additional restrictions related unlicensed persons interference in clinical decision making. This version of the bill also clarifies that only the Attorney General may enforce violations by telemedicine companies through the Consumer Protection Act.

This bill would specify that one of the bases for the Department of Financial Institutions (DFI) to suspend or revoke the registration of a franchise offering is that the franchisor’s business model includes the unlicensed practice of health care.

This second substitute legislation would not change the way DFI performs its regulatory role. This bill has no fiscal impact.

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> 5387 2S SB	<b>Title:</b> Corp practice of health care	<b>Agency:</b> 303-Department of Health
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## Part I: Estimates

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No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
General Fund-Private/Local 001-7				3,806,000	3,806,000
<b>Total \$</b>				3,806,000	3,806,000

### Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.5	7.0	3.8	13.2	13.1
<b>Account</b>					
General Fund-State 001-1	0	947,000	947,000	0	0
General Fund-Private/Local 001-7	0	0	0	3,806,000	3,806,000
Health Professions Account-State 02G-1	133,000	175,000	308,000	121,000	104,000
<b>Total \$</b>	133,000	1,122,000	1,255,000	3,927,000	3,910,000

### 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: 03/03/2025
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 03/06/2025
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 03/06/2025
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 03/14/2025

## 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.*

There is no change in fiscal impact from version SSB 5387.

Second Substitute Senate Bill 5387 adds exemptions from Section 1 for health maintenance organizations licensed under RCW 48.46 and health care service contractors licensed under RCW 48.44, adds the word “ultimate” in front of “clinical decision”, adds a definition of health care profession to include health care professions licensed under title 18 RCW to provide healthcare services to humans, and removes the exception for policies or requirements that are part of a quality incentive program, a co-management agreement, or a value-based care incentive.

Section 2 - 8: adds a new sections to 70.41 RCW (Hospital Licensing and Regulation), 71.12 RCW (Private Establishments), 70.230 (Ambulatory Surgical Facilities), 18.51 RCW (Nursing Homes), 18.46 (Birthing Centers), 70.127 (In Home Services), and 18.134 (Uniform Telehealth Act) that states no person without a license to practice health care in this state, licensed under these chapters, may interfere with, control, or otherwise direct the professional judgment or clinical decisions of a licensed health care provider.

Section 10: Amends RCW 18.130.190 (Practice without license) stating the secretary shall investigate complaints concerning practice by unlicensed persons of a profession or business for which a license is required by the chapters specified in RCW 18.13.140 including, but not limited to, a violation of section 1 of this act.

Section 11 –32: Adds new sections to 18.71 RCW (Physician assistants), 18.57 (Osteopathy—Osteopathic medicine and surgery), 18.79 (Nursing care), 18.06 (Acupuncture and Eastern medicine), 18.225 (Mental health counselors, marriage and family therapists, social workers), 18.22 (Podiatric medicine and surgery), 18.25 (Chiropractic), 18.32 (Dentistry), 18.29 (Dental hygienists), 18.36 A (Naturopathy), 18.50 (Midwifery), 18.53 (Optometry), 18.55 (Ocularists), 18.59 (Occupational therapy), 18.64 (Pharmacists), 18.71A (Physician assistants), 18.74 (Physical therapy), 18.83 (Psychologists), 18.108 (Massage therapists), 18.138 (Dietitians and nutritionists), 18.205 (Substance use disorder professionals), 18.290 (Genetic counselors), that states upon application or renewal the applicant must attest they are aware of regulations related to the corporate practice of medicine in sections 1 - 8 of this act.

Section 34: This act takes effect January 1, 2027.

### 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.

The Department of Health (department) does not anticipate the need to increase any Health Profession licensing fees impacted by this bill to support the changes proposed in this bill. The department will monitor the program fund balance and adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures.

The department is requesting general fund state (GF-S) to cover FY 2027 costs related to the facilities enforcement for this bill. The department does anticipate the need to increase facility licensing fees to support the ongoing costs and has indicated impacts by facility type below. During the fee rulemaking process, a fee study will be prepared with proposed fees and provided for stakeholder input.

The department currently regulates 93 acute care hospitals. The costs listed in this bill will increase the acute care hospital

license by approximately \$11,295 per year.

The department currently regulates 1,114 behavioral health agencies (BHA) and residential treatment facilities (RTF). The costs listed in this bill will increase the BHA and RTF license by approximately \$436 per year.

The department currently regulates 188 ambulatory surgical facilities (ASF). The costs listed in this bill will increase the ASF license by approximately \$1,865 per year.

The department currently regulates 609 In-Home services facilities (INHS). The costs listed in this bill will increase the INHS license by approximately \$28 per year.

FY 2028: \$1,903,000 (GF-L)

FY 2029: \$1,903,000 (GF-L)

FY 2030: \$1,903,000 (GF-L)

FY 2031: \$1,903,000 (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.*

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

#### **Office of Customer Service (OCS)**

Sections 11 – 32: Starting in FY 2026, credentialing costs will be for e-form development, updates, approval phases, testing and additional development, and updates to paper applications. In addition, costs include testing and use case development in collaboration with Health Enforcement and Licensing Modernization System (HELMS) updates.

FY 2026 costs will be 0.5 FTE and \$71,000 (02G)

FY 2027 costs will be 0.5 FTE and \$71,000 (02G)

#### **Office of Innovation and Technology (OIT)**

Sections 11 – 32: Implementation of this bill will require the Department to modify the Health Enforcement and Licensing Modernization System (HELMS) by updating online initial and renewal applications, updating data services and interfaces, assisting with testing, and additional system development. It is assumed these updates are required for 23+ professions. Configuration in HELMS will require approximately 612.92 additional hours from the integration vendor at a rate of \$200 per hour for a total of \$122,584.

Costs include HELMS contractor costs, OIT staff, associated goods and services, intra-agency, and indirect costs.

FY 2026 costs will be \$62,000 (02G)

FY 2027 costs will be 0.1 FTE and \$88,000 (02G)

FY 2028 costs will be 0.2 FTE and \$34,000 (02G)

FY 2029 and ongoing, costs will be 0.1 FTE and \$17,000 (02G)

#### **Office of Community Health Systems (OCHS)**

Sections 2 - 8: Coordination of enforcement actions that include discussion, participation, review and signing an estimated 14 enforcement actions.



FY 2027 costs will be \$3,000 (GFS)  
FY 2028 and ongoing, costs will be 0.1 FTE and \$12,000 (GFL)

#### Office of Health Systems Oversight (OHSO)

Section 2 - 8: Based on experience with facilities enforcement, the department is estimating it will receive 530 complaints a year with an investigation authorization rate of 50 percent, making a total of 265 investigations per year.

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 and then prepares the findings report. 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 hearing and may provide advice throughout the enforcement process.

FY 2027 costs will be 6.3 FTE and \$914,000 (GF-S)  
FY 2028 and ongoing, costs will be 12.7 FTE and \$1,830,000 (GF-L)

#### Office of Investigation and Legal Services (OILS) for Facilities

Section 2 - 8: Based on the department's experience in instances of noncompliance, the "cite and fine" portion of the work will assume a model where a notice of intent is issued followed by the fine/penalty itself. The Office of Health Systems Oversight only intends to take enforcement action for repeat violations and estimates that 5 percent of the cases open for investigation will result in 14 enforcement actions. This is with a right to request a hearing if the entity disputes the fine.

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 person complained about, and help assess whether an investigation is needed. In more than half the cases, investigation is needed. The investigator obtains information about the complaint and the respondent and prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys, paralegals, and other staff work to develop 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.

Costs include staff, associated expenses and Office of Attorney General support in the amount of \$28,000.

FY 2027 costs will be 0.1 FTE and \$30,000 (GFS)  
FY 2028 and ongoing, costs will be 0.2 FTE and \$61,000 (GFL)

#### Office of Investigation and Legal Services (OILS) for Health Professions

Section 10: Based on the current discipline rate for unlicensed individuals, the department is assuming 12 complaints related to unlicensed individuals, with a 50% authorization rate, resulting in 3 enforcements per year.

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 person complained about, and help assess whether an

investigation is needed. In more than half the cases, investigation is needed. The investigator obtains information about the complaint and the respondent and prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys, paralegals, and other staff work to develop 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.

Costs include staff, associated expenses and Office of Attorney General support in the amount of \$12,000.

FY 2027 costs will be 0.1 FTE and \$16,000 (02G)

FY 2028 and ongoing, costs will be 0.1 FTE and \$35,000 (02G)

Total costs to implement this bill:

FY 2026 costs will be 0.5 FTE and \$133,000 (02G)

FY 2027 costs will be 7.0 FTE and \$947,000 (GF-S) and \$175,000 (02G)

FY 2028 costs will be 13.2 FTE and \$1,903,000 (GF-L) and \$69,000 (02G)

FY 2029 and ongoing, costs will be 13.1 FTE and \$1,903,000 (GF-L) and \$52,000 (02G)

## 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	0	947,000	947,000	0	0
001-7	General Fund	Private/Local	0	0	0	3,806,000	3,806,000
02G-1	Health Professions Account	State	133,000	175,000	308,000	121,000	104,000
<b>Total \$</b>			133,000	1,122,000	1,255,000	3,927,000	3,910,000

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

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.5	7.0	3.8	13.2	13.1
A-Salaries and Wages	37,000	686,000	723,000	2,587,000	2,578,000
B-Employee Benefits	14,000	238,000	252,000	893,000	890,000
C-Professional Service Contracts	61,000	61,000	122,000		
E-Goods and Other Services	17,000	91,000	108,000	278,000	274,000
J-Capital Outlays					
T-Intra-Agency Reimbursements	4,000	46,000	50,000	169,000	168,000
<b>Total \$</b>	133,000	1,122,000	1,255,000	3,927,000	3,910,000

**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
Fiscal Analyst 2	53,000		1.2	0.6	2.5	2.5
HEALTH CARE INVESTIGATOR 3	84,516				0.1	0.1
HEALTH SERVICES CONSULTANT 1	59,844				0.1	0.1
HEALTH SERVICES CONSULTANT 2	71,148	0.1	0.1	0.1		
HEALTH SERVICES CONSULTANT 3	80,460	0.1	0.6	0.4	1.0	1.0
HEALTH SERVICES CONSULTANT 4	88,800	0.1	0.1	0.1		
Health Svcs Conslt 1	53,000		0.9	0.5	1.8	1.8
HEARINGS EXAMINER 3	108,252		0.1	0.1	0.1	0.1
IT BUSINESS ANALYST - JOURNEY	107,148				0.1	
MANAGEMENT ANALYST 3	76,608	0.2	0.2	0.2		
NURSING CONSULTANT INSTITUTIONAL	126,384		3.3	1.7	6.5	6.5
WMS02	122,496		0.5	0.3	1.0	1.0
<b>Total FTEs</b>		0.5	7.0	3.8	13.2	13.1

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

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
HEALTH SYSTEMS QUALITY ASSURANCE (060)	123,000	990,000	1,113,000	3,443,000	3,428,000
DOH ADMINISTRATION (090)	10,000	132,000	142,000	484,000	482,000
<b>Total \$</b>	133,000	1,122,000	1,255,000	3,927,000	3,910,000

**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.



# Multiple Agency Ten-Year Analysis Summary

<b>Bill Number</b>	<b>Title</b>
5387 2S SB	Corp practice of health care

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

## Estimated Cash Receipts

	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
Department of Financial Institutions	0	0	0	0	0	0	0	0	0	0	0
Department of Health	0	0	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	15,224,000
<b>Total</b>	0	0	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	15,224,000



# Ten-Year Analysis

<b>Bill Number</b> 5387 2S SB	<b>Title</b> Corp practice of health care	<b>Agency</b> 102 Department of Financial Institutions
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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: Cale Zimmerman	Phone: (360) 902-0507	Date: 3/6/2025 7:51:14 am
Agency Approval: Emily Fitzgerald	Phone: (360) 902-8780	Date: 3/6/2025 7:51:14 am
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 5387 2S SB	<b>Title</b> Corp practice of health care	<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
Facility licensing fee	001			1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	15,224,000
<b>Total</b>				1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	1,903,000	15,224,000
<b>Biennial Totals</b>				3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	3,806,000	15,224,000	

## Narrative Explanation (Required for Indeterminate Cash Receipts)

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.

The Department of Health (department) does not anticipate the need to increase any Health Profession licensing fees impacted by this bill to support the changes proposed in this bill. The department will monitor the program fund balance and adjust fees over a six (6) year period to ensure that fees are sufficient to cover all program expenditures.

The department is requesting general fund state (GF-S) to cover FY 2027 costs related to the facilities enforcement for this bill. The department does anticipate the need increase facility licensing fees to support the ongoing costs and has indicated impacts by facility type below. During the fee rulemaking process, a fee study will be prepared with proposed fees and provided for stakeholder input.

The department currently regulates 93 acute care hospitals. The costs listed in this bill will increase the acute care hospital license by approximately \$11,295 per year.

The department currently regulates 1,114 behavioral health agencies (BHA) and residential treatment facilities (RTF). The costs listed in this bill will increase the BHA and RTF license by approximately \$436 per year.



# Ten-Year Analysis

Bill Number	Title	Agency
5387 2S SB	Corp practice of health care	303 Department of Health

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>.

## Narrative Explanation (Required for Indeterminate Cash Receipts)

The department currently regulates 188 ambulatory surgical facilities (ASF). The costs listed in this bill will increase the ASF license by approximately \$1,865 per year.

The department currently regulates 609 In-Home services facilities (INHS). The costs listed in this bill will increase the INHS license by approximately \$28 per year.

FY 2028: \$1,903,000 (GF-L)

FY 2029: \$1,903,000 (GF-L)

FY 2030: \$1,903,000 (GF-L)

FY 2031: \$1,903,000 (GF-L)

Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 3/6/2025 10:15:27 am
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 3/6/2025 10:15:27 am
OFM Review:	Phone:	Date: