



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (June 2004)
(Implements RCW 34.05.310)
Do **NOT** use for expedited rule making

Agency: Department of Health

Subject of possible rule making: Chapter 246-310 WAC - - Certificate of Need, and Chapter 246-320 WAC - - Hospital Licensing Regulations. The Department of Health (department) is considering amending rules to address health care facility affiliations, corporate restructuring, mergers and other arrangements, and greater consumer transparency, in compliance with the Directive of the Governor 13-12.

Statutes authorizing the agency to adopt rules on this subject: RCW 70.38.115 and RCW 70.38.135 for Chapter 246-310 WAC; and Chapter 70.41 RCW for Chapter 246-320 WAC.

Reasons why rules on this subject may be needed and what they might accomplish: The department is directed by the Directive of the Governor 13-12 to initiate rulemaking to consider how the structure of affiliations, corporate restructuring, mergers, and other arrangements between health care facilities result in outcomes similar to traditional methods of sales, purchasing and leasing of hospitals, particularly when control of part or all of an existing hospital changes from one party to another. The department is also directed to consider ways to improve transparency for consumer information and ease of use by ensuring hospitals provide their policies of non-discrimination, end-of-life care, and reproductive care services to the department for posting on its website.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:
The U.S. Centers for Medicare and Medicaid Services (CMS) certify Certificate of Need (CoN) hospitals. Department of Social and Health Services (DSHS) and the Health Care Authority (HCA) are also involved in Medicaid and Medicare billing and reimbursement issues for CoN hospitals. The department will coordinate with DSHS, HCA, and CMS as appropriate.

Process for developing new rule (check all that apply):

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe) The Department of Health will use a collaborative rulemaking process.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:
(List names, addresses, telephone, fax numbers, and e-mail of persons to contact; describe meetings, other exchanges of information, etc.)
Interested parties can receive information on the rulemaking process by contacting Janis Sigman, Program Manager, Department of Health - Health Systems Quality Assurance, Office of Health Professions and Facilities, P.O. Box 47852, 111 Israel Road SE, Olympia, WA 98504-7853, or by e-mail to janis.sigman@doh.wa.gov, telephone: 360.236.2956, or by fax: 360.236.2321.

DATE 08/20/2013

NAME (TYPE OR PRINT)
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SIGNATURE

TITLE
Deputy Secretary of Health

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