



# PREPROPOSAL STATEMENT OF INQUIRY

## CR-101 (October 2017) (Implements RCW 34.05.310)

Do NOT use for expedited rule making

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FILED

DATE: July 09, 2024

TIME: 3:44 PM

WSR 24-15-024

**Agency:** Department of Health

**Subject of possible rule making:** Hospital financial data reporting - reviewing the Accounting and Reporting Manual requirements for the uniform, hospital financial reporting system. The Department of Health (department) is considering amendments to Chapter 246-454 WAC to implement requirements in Engrossed Second Substitute House Bill (E2SHB)1272 (chapter 162, Laws of 2021). The department is also considering amendments to WAC 246-451-010 and 246-451-050 to update language that contains references to Chapter 246-454 WAC.

**Statutes authorizing the agency to adopt rules on this subject:** Engrossed Second Substitute House Bill (E2SHB) 1272 (chapter 162, Laws of 2021)

**Reasons why rules on this subject may be needed and what they might accomplish:** E2SHB 1272 addresses health system transparency. The bill strives to increase transparency in hospital financial data. Rulemaking is being considered to implement E2SHB 1272. The bill requires the department to revise the uniform, hospital financial reporting system to further delineate hospital expenses and revenue, and monies received by federal, state, or local government in response to national or state-declared emergencies.

To reflect additional hospital financial reporting requirements required within E2SHB 1272, the processes associated with how the manual is updated and distributed to hospitals is detailed in rule and would need to be updated to current standards. The department is considering the revision of several rule sections to modernize the rules for hospital reporting including repealing sections of rule and amending language to update the requirements in and the distribution of the Accounting and Reporting Manual for Hospitals. The department will also consider updates to ensure the rules are current and align with best practices as well as adding a new section to address requirements for clarity and conciseness.

The department will also consider amendments to WAC 246-451-010 to update definitions that contain references to Chapter 246-454 WAC.

Additionally, the department had previously worked with interested parties on a rules project responsive to E2SHB 1272 under CR-101 filed as WSR 21-23-082 but is withdrawing that project to refile this new CR-101 that allows amendments to sections of chapters 246-454 and 246-451 WAC that were not included in WSR 21-23-082.

**Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:** None

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

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe) Collaborative rulemaking

**Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting:**

(If necessary)

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Additional comments: Interested parties will be notified and kept updated throughout the rule making process through GovDelivery and already established email lists. Four interested party meetings were held under WSR 21-23-082. One additional meeting will be held, and interested parties will be rovided an opportunity to provide comments at the proposal stage and attend the public hearing. Join the GovDelivery list to get information on participating in the process by subscribing at <https://public.govdelivery.com/accounts/WADOH/subscriber/new>.

**Date:** 7/9/2024

**Name:** Todd Mountin, PMP for Umair A. Shah, MD, MPH

**Title:** Deputy Chief of Policy for Secretary of Health

**Signature:**

A handwritten signature in black ink, appearing to read "Todd Mountin". The signature is written in a cursive, flowing style.