

**RCW 70.41.090 Hospital license required—Certificate of need required—Participation in Washington rural health access preservation pilot.** (1) No person or governmental unit of the state of Washington, acting separately or jointly with any other person or governmental unit, shall establish, maintain, or conduct a hospital in this state, or use the word "hospital" to describe or identify an institution, without a license under this chapter: PROVIDED, That the provisions of this section shall not apply to state mental institutions and \*psychiatric hospitals which come within the scope of chapter 71.12 RCW.

(2) After June 30, 1989, no hospital shall initiate a tertiary health service as defined in \*\*RCW 70.38.025(14) unless it has received a certificate of need as provided in RCW 70.38.105 and 70.38.115.

(3) A rural health care facility licensed under RCW 70.175.100 formerly licensed as a hospital under this chapter may, within three years of the effective date of the rural health care facility license, apply to the department for a hospital license and not be required to meet certificate of need requirements under chapter 70.38 RCW as a new health care facility and not be required to meet new construction requirements as a new hospital under this chapter. These exceptions are subject to the following: The facility at the time of initial conversion was considered by the department to be in compliance with the hospital licensing rules and the condition of the physical plant and equipment is equal to or exceeds the level of compliance that existed at the time of conversion to a rural health care facility. The department shall inspect and determine compliance with the hospital rules prior to reissuing a hospital license.

(4) A rural hospital, as defined by the department, reducing the number of licensed beds to become a rural primary care hospital under the provisions of Part A Title XVIII of the Social Security Act Section 1820, 42 U.S.C., 1395c et seq. may, within three years of the reduction of licensed beds, increase the number of beds licensed under this chapter to no more than the previously licensed number of beds without being subject to the provisions of chapter 70.38 RCW and without being required to meet new construction requirements under this chapter. These exceptions are subject to the following: The facility at the time of the reduction in licensed beds was considered by the department to be in compliance with the hospital licensing rules and the condition of the physical plant and equipment is equal to or exceeds the level of compliance that existed at the time of the reduction in licensed beds. The department may inspect and determine compliance with the hospital rules prior to increasing the hospital license.

(5) If a rural hospital is determined to no longer meet critical access hospital status for state law purposes as a result of participation in the Washington rural health access preservation pilot identified by the state office of rural health, the rural hospital may renew its license by applying to the department for a hospital license and the previously licensed number of beds without being subject to the provisions of chapter 70.38 RCW and without being required to meet new construction review requirements under this chapter. These exceptions are subject to the following: The hospital, at the time it began participation in the pilot, was considered by the department to be in compliance with the hospital licensing rules, and the condition of the physical plant and equipment is equal to or exceeds the level

of compliance that existed at the time of the reduction in licensed beds. The department may inspect and determine compliance with the hospital licensing rules. If all or part of a formerly licensed rural hospital is sold, purchased, or leased during the period the rural hospital does not meet critical access hospital status as a result of participation in the Washington rural health access preservation pilot and the new owner or lessor applies to renew the rural hospital's license, then the sale, purchase, or lease of part or all of the rural hospital is subject to the provisions of chapter 70.38 RCW. [2016 sp.s. c 31 s 3; 1992 c 27 s 3; 1989 1st ex.s. c 9 s 611; 1955 c 267 s 9.]

**Reviser's note:** \*(1) The term "psychiatric hospital" was changed to "behavioral health hospital" by 2024 c 121 s 19.

\*\* (2) RCW 70.38.025 was alphabetized pursuant to RCW 1.08.015(2)(k), changing subsection (14) to subsection (15).

**Finding—Intent—2016 sp.s. c 31:** See note following RCW 74.09.5225.

**Effective date—Severability—1989 1st ex.s. c 9:** See RCW 43.70.910 and 43.70.920.