



November 23, 2022

Jane Beyer, Senior Health Policy Advisor
Office of the Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504

Re: Skagit Regional Health Comments on HB 1688 Draft Rule – Definition of Hospital Outpatient Department

Dear Ms. Beyer:

Skagit Regional Health appreciates the opportunity to provide comment on the proposed rule for HB 1688.

We have concerns that the language associated with item (iii) of the definition of a “hospital outpatient department” will have unintended and inequitable consequences. (i) "Hospital outpatient department" means an entity or site that provides outpatient services and: (i) Is a provider-based facility under 42 C.F.R. Sec. 413.65; (ii) Charges a hospital facility fee in billing associated with the receipt of outpatient services from the entity or site; or (iii) Bills the consumer or their health plan under a hospital's national provider identifier or **federal tax identification number**.

Skagit Regional Health operates two hospitals, one ASC, and multiple hospital based and free standing clinics under one Tax Identification Number. We want to ensure that the definition of a “hospital outpatient department” applies to hospital-affiliated sites that meet the conditions of a hospital and bill and are paid as hospital services but does not apply to sites that bill and are paid the same as independent freestanding sites. We believe identification of hospital-based status is best achieved by using a federal CMS identifier number or national provider identifier (NPI) that matches that of a hospital.

We do not oppose the reference to the national provider identification number (NPI) as non-hospital sites have a different number than the hospital and hospital-based sites. **Skagit Regional Health does oppose including use of the Federal Tax Identification Number in the hospital outpatient department definition.** Freestanding sites of a hospital or hospital system should not be subjected to different rules than freestanding sites operated by other entities.

We appreciate the opportunity to provide input to this draft rule. Please contact me at 360.445.8512 or tcesena@skagitregionalhealth.org with any questions.

Tamara L. Cesena
VP Financial Services
Skagit Regional Health

