



Washington State
Hospital Association

Keep Talking About Financial Impacts! You Will Not Be Alone.

Rural Hospitals Are Shuttering Their Maternity Units

Citing costs, many hospitals are closing labor and delivery units, expanding so-called maternity care deserts.

TOPPENISH, Wash.

LOCAL

**Around 200 employee
jobs impacted as Virginia
Mason 'transitions and
realigns'**

**WA Hospital Association predicts more cuts as
local medical center shutter 5 clinics**

**Health care forum in Stevens County
addresses impact of proposed Medicaid
cuts in rural communities**

**Providence makes systemwide cuts, hitting 170
workers in Western Washington**

**PeaceHealth cuts 1 percent of its
16,000 employees, freezes hiring
through 2025**

Ground Rules for Discussion of Financial Challenges

- Share cuts, changes to service lines, and layoffs with the public, policy makers, media and WSHA
- Be as specific as possible in your descriptions of the changes
- Describe the reason for the cuts and point to government cuts/taxes whenever possible
- Pledge not to use hospital cuts and/or stories against one another in a competitive or critical manner
- *Discussed in WSHA committees and passed unanimously by WSHA Board July 2025*

Modernizes Carrier Timely Payment Requirements (SB 5845)

- Applies to state regulated health plans filed or renewed by January 1, 2027
- Requires health plans to pay all clean claims in 30 days (not 95%)
- New requirements for unclean claims
- Creates tiered interest payments and administrative penalties for failing to meet timelines included in the law
- Reduces the time-frame for carriers to request payment refunds from providers from 24 months to 12 months



Enact Prior Authorization Transparency and Modifications (SB 5395)

- January 1, 2027 establishes new guardrails on prior authorization decisions to ensure clinical review
- Limits the use of artificial intelligence (AI) in coverage determinations by prohibiting AI from being the sole basis for denying care
- Prohibits retrospective denials and modifications after care has been approved and delivered



Creating Network Adequacy Standards for Post-Acute Care (SB 5124)

- Directs the HCA to establish network adequacy standards for post-acute care services by Medicaid Managed Care Organizations (MCOs) by 2028
- Applies to inpatient rehabilitation hospitals and skilled nursing facilities



Key Early Medicaid Dates in HR 1

