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NO. 97557-4

SUPREME COURT OF THE STATE OF WASHINGTON

PEACEHEALTH ST. JOSEPH MEDICAL CENTER AND
PEACEHEALTH ST. JOHN MEDICAL CENTER,

Petitioners,

v.

STATE OF WASHINGTON, DEPARTMENT OF REVNUUE,

Respondent.

**HARBORVIEW MEDICAL CENTER'S AMICUS CURIAE BRIEF
IN SUPPORT OF GRANTING REVIEW**

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I. IDENTITY AND INTERESTS OF AMICUS CURIAE

Harborview Medical Center (Harborview) is a comprehensive healthcare facility dedicated to providing specialized care for a broad spectrum of patients from throughout the Pacific Northwest, including the most vulnerable residents of King County. It is owned by King County and is managed, operated, and staffed by the University of Washington. Harborview's mission includes the provision of exemplary care emphasizing adult and pediatric trauma treatment, stroke care, neuroscience, acute rehabilitation and surgical reconstruction, the UW Medicine Regional Vascular Center, the UW Medicine Eye Institute, and the Center for AIDS/HIV, which clinics operates clinics in Seattle, Everett, and Bremerton. As the only designated Level I adult and pediatric trauma and verified burn center in the state of Washington, Harborview also serves as the regional trauma and burn referral center for Alaska, Montana and Idaho and the disaster preparedness and disaster control hospital for Seattle and King County.

Harborview is interested in the outcome of this case because it paid Washington business and occupation (B&O) taxes on revenues from out-of-state Medicaid patient reimbursement. Should this Court disagree with the Court of Appeals' interpretation of RCW 82.04.4311, Harborview would be due a refund for taxes paid on these amounts.

II. COURT OF APPEALS DECISION SUBJECT OF PETITION

Harborview supports PeaceHealth's Petition for Review seeking review of the Court of Appeals decision in *PeaceHealth St. Joseph Med. Ctr. v. Dep't of Revenue*, ____ Wn. App. 2d ____, 449 P.3d 676 (2019).

III. ARGUMENT

Under RAP 13.4(b)(4), this Court should accept review because it presents an issue of substantial public importance. Specifically, the Court of Appeals' interpretation of RCW 82.04.4311 significantly impacts both public hospitals and private non-profit hospitals that serve Medicaid patients.

Harborview treats a substantial number of Medicaid patients. This is partially due to the patient population that is central to Harborview's mission. Harborview prioritizes care for the non-English speaking poor; the uninsured or underinsured; victims of domestic violence or sexual assault; people incarcerated in King County's jails; people with mental illness or substance abuse problems, particularly those treated involuntarily; people with sexually transmitted diseases; and those who require specialized emergency, trauma or burn care. Prioritization of this particular population means that patients are more likely to be Medicaid beneficiaries.

In addition, due in part to Harborview's status as the sole Level I trauma center in a four-state region and its unique level of expertise in a

number of clinical fields, Harborview treats a significant number of Medicaid patients from outside the State of Washington. Between fiscal years 2015 and 2019, Harborview will have treated approximately 2,414 such patients resulting in 4,447 patient encounters and \$56 million in costs. Medicaid reimbursements do not cover the cost of care. For that time period, Harborview will have received approximately \$34 million in reimbursements related to out-of-state Medicaid, leaving over \$22 million in uncompensated care costs. Harborview's tax liability under the Court of Appeals decision, if refunded, would help support those uncompensated care costs.

IV. CONCLUSION

This case is of substantial public importance because of its financial consequence for both private non-profit and government-run hospital facilities in Washington that serve Medicaid patients. Harborview respectfully requests that the Court accept review of the Court of Appeals decision.

RESPECTFULLY SUBMITTED this 28th day of October 2019.

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CERTIFICATE OF SERVICE

I certify under penalty of perjury under the laws of the State of Washington that on October 28, 2019, I caused the foregoing *Amicus Curiae Brief In Support Of Granting Review* to be served electronically, via the Washington State Appellate Courts' Secure Portal, on the following parties:

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