

Agency Summary

Mission

Legislative Mission

“Assist and encourage the building, providing and utilization of modern, well equipped and reasonably priced health care facilities ... that will minimize the capital costs of construction, financing and use thereof and thereby the costs to the public of the use of such facilities.”
(Chapter 70.37.010 RCW)

Operational Mission

To effectively assist non-profit health care providers to minimize their capital costs by providing:

- **Access to capital**
- **Information on the capital markets, and**
- **Low cost financing alternatives**

Public Benefit

The Authority facilitated approximately \$35 million in “interest cost savings” to health care providers and, therefore, the public health care consumers (who ultimately pay the reduced interest costs) in calendar year 2023.

Customers

Non-profit organizations which provide health care services in Washington (Participant as defined in Chapter 70.37 RCW). This includes hospitals and other non-hospitals such as cancer centers, community health centers, rural health facilities, community mental evaluation and treatment centers, hospices, blood centers, substance abuse treatment facilities, etc. See WAC 247-04-020 for complete list.

Services/Products

Services

The Authority acts as a conduit to allow non-profit health care providers access to the tax-exempt municipal bond market. Without Authority assistance, borrowers would have to borrow at more expensive taxable interest rates, which would result in increased health care costs being passed along to consumers.

The Authority has issued a variety of tax exempt bonds including fixed interest rate, variable interest rate, insured, letter of credit backed, and private placements directly with bank lenders. The Authority also offers a variety of services to assist health care providers: 1) expansion of

knowledge of the capital markets; (2) assistance with evaluating financing options; and (3) assistance with applicable federal tax and securities laws.

Products

The Authority offers key loan products to meet its customer's needs. These include publically offered bond issues and privately placed bond issues, including direct placements for larger transactions and “**Quick Loans**” primarily for smaller dollar loans.

Loan History as of December 31, 2023

Number of Loans:	526 loans provided
Dollar Volume:	\$20.2 billion issued
Outstanding Loans:	\$5.1 billion outstanding

Yearly Loan Volume

The Authority issues approximately 7 – 10 individual bond issues per year. One quarter are loans for hospitals and three quarters are loans for other health care providers.

Financial Accountability

The Authority is a self-sustaining, proprietary, state agency precluded from receiving any funding from the State. The Authority budget is set by the Board; annual financial audits are performed by an outside auditor; and the State Auditor conducts periodic accountability audits.

Washington State Liability

The legislature erected a “wall” between the State and the Authority when creating the Authority in order to protect the State. The State Supreme Court upheld this “wall” in the Authority test case. Bonds issued by the Authority are not obligations of the State of Washington.

Recipient of Washington State Quality Award - Certificate of Merit

The Authority strives to implement business excellence practices in its operations. The Washington State Quality Award program (WSQA) recognized the Authority's excellence practices by awarding the Authority a Certificate of Merit in 2000.