

Adopted: 1/10/2025 Reviewed/Revised: Rescinded:

RN, LPN, NT, and NA: Nursing Practice Inquiry

ARNP: <u>ARNPPractice@doh.wa.gov</u> Telephone: 360 236-4703

The Washington State Board of Nursing (WABON) issues this advisory opinion in accordance with WAC 246-840-800. An advisory opinion adopted by the WABON is an official opinion about safe nursing practice. The opinion is not legally binding and does not have the force and effect of a duly promulgated regulation or a declaratory ruling by the NCQAC. Institutional policies may restrict practice further in their setting and/or require additional expectations to assure the safety of their patient and//or decrease risk. This advisory opinion does not address state or federal proclamations or rule waivers that temporarily change some regulatory requirements in emergency or disaster situations. advisory opinion does not address state or federal proclamations or rule waivers that temporarily change some regulatory requirements in emergency or disaster situations.

# Advisory Opinion: Business Practices for the ARNP

## Summary

The Washington State Board of Nursing (WABON) has received many inquiries from nurses concerning rules and guidelines for opening clinics or businesses. This statement summarizes the WABON's guidelines for Advanced Practice nurses intending to open a business or seeking guidance about their existing business.

## Background

The Washington State Board of Nursing does not have a formal statement or authority over ARNP businesses or clinic requirements or being an owner of a professional health care corporation. The ARNP must meet the requirements to establish and maintain the business as well as quality and nursing care standards. The law and rules do not prohibit an ARNP from opening up a private practice or be an owner of a professional health care organization. We recommend you consult with your legal advisor.

See the following resources for more information:

- Business licensing requirements at the <u>State of Washington Department of Revenue</u> <u>Business Licensing Service</u>
- The <u>Washington State Department of Licensing</u> includes information on starting a business
- RCW 18.100 Professional Service Corporations
- RCW 18.79.030 Licenses required—Titles.
- Washington State Department of Health Care Entity Licensing Requirements
- WAC 246-904 Health Care Entities
- WAC 247-04-010 Determination of Facilities as Health Care Facilities
- U.S. Small Business Administration (SBA)
- Small Business Guidance (business.wa.gov)
- International Council of Nurses | Handbook on Entrepreneurial Practice



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## Medical records documentation systems and privacy requirements

Other aspects need to be considered such as infection control, laboratory licensing requirements, and other safety and health standards:

- Washington State Department of Labor and Industries
- Washington State Department of Health Laboratory Quality Assurance
- Washington State Fraud and Abuse Prohibitions
- Health Insurance Portability and Accountability Act (HIPAA)

## Construction or architectural regulations

All aspects of other regulations such as safety and infection control need to be considered. The following resources may be helpful:

- Washington Industrial Safety and Health Act (WISHA)
- CDC Guide to Infection Prevention for Outpatient Settings: Minimum Expectations for Safe Care
- Occupational Safety and Health Administration (OSHA)
- OSHA Medical & Dental Offices: A Guide to Compliance with OSHA Standards

#### Other factors to consider

An ARNP may enter into a private contract with a facility or contract through a staffing agency.

Under the corporate practice of medicine doctrine, a person who does not hold a health care license may not own a business that employs health care professionals to provide health care services to the public.

See the following resources for more information:

- <u>Columbia Physical Therapy, Inc., P.S. v. Benton Franklin Orthopedic Assocs., P.L.L.C.</u>, 168
  Wn.2d 421, 228 P.3d 1260 (2010).
- The Professional Service Corporation Act (RCW 18.100)

# Requirements for Establishing a Corporate or Partnership Entity in Washington State

ARNPs are encouraged to seek legal advice in establishing a corporate or partnership entity such as a Limited Liability Company (LLC), Professional Service Corporation (PSC), or Professional Limited Liability Company (PLLC) for the purpose of providing nursing and related services.



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A Limited Liability Company (LLC) is formed by I or more individuals or entities through a special written agreement. The agreement details the organization of the LLC, including provisions for management, assignability of interests, and distribution of profits and losses. LLCs are permitted to engage in any lawful, for-profit business or activity other than banking or insurance. Filing with the Washington Secretary of State is required prior to filing a Business License Application.

A PLLC is a limited liability partnership structure designed for licensed professionals to render professional services, as defined in <u>RCW 18.100.030</u>.

See the following resources for more information:

- Compare business structures | Washington Department of Revenue
- <u>Limited Liability Company (LLC) & Professional LLC (PLLC) Filing Resource Page | WA Secretary of State</u>
- RCW 25.15.046: Professional limited liability companies
- RCW 25.15.048: Professional limited liability company—Licensing

## Requirements and Recommendations

### **Medical Directors**

The medical director is responsible for the safety of patients and ensuring the quality of medical care.

Washington State does not have a certification or license for medical directors nor does the law require facility licensing for nurses starting their own business. The nursing and other state laws and rules do not prohibit an ARNP from owning or serving as a "medical director" at a medical spa. Washington State does not have a law or rule that prohibits an ARNP from being a medical director for a residential drug and rehabilitation treatment center.

See the following resources for more information:

- Washington Medical Commission: <u>WMC Medical Directors: Roles, Duties and Responsibilities</u>
- CMS Requirements for Long Term Care Facilities: <u>eCFR :: 42 CFR 483.70 --</u> Administration and WAC 388-97-1700



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### Infection Control

To ensure patient safety, policies and procedures to ensure infection control and prevention should be established.

In addition to the state and federal guidelines linked above, see the following resources for more information:

- Infection Prevention Resources | Washington State Hospital Association
- Chapter 246-330 WAC: Ambulatory Surgical Facilities
- Ambulatory Surgical Facilities | Washington State Department of Health
- <u>| LARC Report | Regulation of Ambulatory Surgical Facilities</u>
- Outpatient/Ambulatory Surgery Centers Specific Resources | APIC Oregon and Southern Washington Chapter
- Ambulatory Care | APIC
- CDC's Core Infection Prevention and Control Practices for Safe Healthcare Delivery in All Settings
- Minnesota Association For Aesthetic Safety | Suggested Standards of Practice
- Disinfection and Sterilization Guideline | Infection Control | CDC
- OSHA: What You Don't Know Can Hurt You | American Med Spa Association
- Guidelines for Non-Invasive Medical Aesthetic Practices (Medical Spas) | American Med Spa Association
- The Importance of Safety and Compliance in Medical Spa Procedures | SpaKinect
- Infection Prevention & Control in Nursing | ANA

### Resources

Practice Resources can be found here: Support for Practicing Nurses | WABON

### Additional Resources can be found here:

- Registered Nurse and Licensed Practical Nurse Scope of Practice | WABON
- Cosmetic/Aesthetic Dermatologic Procedures | WABON
- Administration of Sedating, Analgesic, and Anesthetic Agents | WABON
- Standing Orders | WABON
- Infusion Therapy Management | WABON