

1989 Senate Bill 73

Date of enactment: **August 23, 1989**  
Date of publication\*: **August 29, 1989**

# 1989 WISCONSIN ACT 37

AN ACT to amend 50.35 and 50.39 (2) and (3); and to create 50.36 (3m), 50.37 and 50.39 (5) of the statutes, relating to: suspension of admissions to certain hospitals and required submittal by hospitals of information related to accreditation.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 50.35 of the statutes is amended to read:

**50.35 Application and approval.** ~~After January 1, 1966, application~~ Application for approval to maintain a hospital shall be made to the department on forms provided by ~~it~~ the department. On receipt of an application, the department shall issue a certificate of approval if the applicant and hospital facilities meet the requirements established by the department. This approval shall be in effect until, for just cause and in the manner herein prescribed, it is suspended or revoked. The certificate of approval ~~shall~~ may be issued only for the premises and persons or governmental unit named in the application and ~~shall is~~ not be transferable or assignable. The department ~~shall~~ may not withhold, suspend or revoke approval unless for a substantial failure to comply with ss. 50.32 to 50.39 or the rules and standards adopted by the department after giving a reasonable notice, a fair hearing and a reasonable opportunity to comply. Failure by a hospital to comply with s. 50.36 (3m) shall be considered to be a substantial failure to comply under this section.

**SECTION 2.** 50.36 (3m) of the statutes is created to read:

**50.36 (3m)** The department shall require a hospital that is accredited as a hospital by a private accrediting organization to submit to the department a copy of the summary accreditation recommendation and may require the hospital to submit to the department copies of all correspondence sent or received on or after the effec-

tive date of this subsection .... [revisor inserts date], including survey results, between the hospital and the accrediting organization. Accreditation letters, reports and related correspondence submitted to the department, except those submitted by a county mental health complex under s. 51.08, under this subsection are not subject to inspection, copying or receipt under s. 19.35 (1) and may not be released by the department.

**SECTION 2m.** 50.37 of the statutes is created to read:

**50.37 Notification to accrediting organization.**

The department shall notify a private accrediting organization that has accredited a hospital and the board of governors of the patients compensation fund under s. 619.04 (3) if the department has done any of the following:

(1) Suspended or revoked the hospital's approval under s. 50.35.

(2) Issued an order to the hospital.

(3) Suspended new admissions to the hospital under s. 50.39 (5).

(4) Recommended to the federal health care financing administration that the hospital be decertified from the federal medicare program under 42 USC 1395 to 1395ccc or the federal medicaid program under 42 USC 1396 to 1396r-3 for failure to meet a condition of participation under the program.

**SECTION 2r.** 50.39 (2) and (3) of the statutes are amended to read:

50.39 (2) The use of the title "hospital" to represent or identify any facility which does not meet the definition of a "hospital" as provided herein or is not subject to

approval under ss. 50.32 to 50.39 is prohibited, except that institutions governed by ss. ~~51.08~~, 51.09 and 149.01 are exempt.

(3) Facilities now governed by ss. 45.365, 48.62, 49.14, 49.171, 50.02, ~~51.08~~, 51.09, 58.06, 149.01, 149.02 and 149.06, correctional institutions governed by the department under s. 46.03 (1) and the offices and clinics of persons licensed to treat the sick under chs. 446, 447 and 448 are exempt from ss. 50.32 to 50.39. Nothing in ss. 50.32 to 50.39 shall abridge the rights of the medical examining board, dentistry examining board, pharmacy examining board, chiropractic examining board and board of nursing in carrying out their statutory duties and responsibilities.

**SECTION 3.** 50.39 (5) of the statutes is created to read:

50.39 (5) (a) The department may, in the event of an emergency condition that imminently threatens the health or safety of patients of a hospital, suspend new admissions to all or a part of the hospital until such time as the department decides that the hospital has removed

or corrected the causes or deficiencies creating the emergency.

(b) Immediately upon the suspension of new admissions under par. (a), the department shall notify the hospital in writing. Notice of the suspension shall include a clear and concise statement of the causes or deficiencies creating the emergency condition on which the suspension is based and notice of the opportunity for a hearing on the suspension or on rescission of the suspension under s. 227.44. If the hospital desires to contest the suspension, it shall provide written notice to the department of a request for a hearing within 10 days after receipt of the notice of suspension. If the hospital desires to contest failure by the department to rescind the suspension, it shall provide written notice to the department of a request for a hearing.

**SECTION 3m. Initial applicability.** The treatment of section 50.39 (2) and (3) of the statutes first applies to an institution governed by section 51.08 of the statutes on the first day of the 2nd month beginning after publication.