



1995 ASSEMBLY BILL 102

February 6, 1995 - Introduced by Representatives UNDERHEIM, DUFF, ZIEGELBAUER, JENSEN, WASSERMAN, ALBERS, KRUG, HANDRICK, FREESE, WALKER, OWENS, GROTHMAN and OTT, cosponsored by Senators HUELSMAN, FARROW, BUETTNER and SCHULTZ. Referred to Committee on Health.

1 **AN ACT to repeal** 15.195 (10), 15.197 (10), 20.488, 20.923 (4) (c) 1m., 20.923 (4)
2 (d) 4., 150.01 (6m), 150.01 (6r), 150.01 (12m), 150.01 (14), 150.10, subchapter
3 III of chapter 150 [precedes 150.61], 153.05 (4m) and 230.08 (2) (mp); and **to**
4 **amend** 20.435 (1) (gm), 50.135 (2) (c), 150.11 (5) and 150.93 (3) of the statutes;
5 **relating to:** elimination of the cost containment commission, the cost
6 containment council and the capital expenditure review program.

Analysis by the Legislative Reference Bureau

Under current law, with certain exceptions, the 3-member cost containment commission, as advised by the 11-member cost containment council, is responsible for reviewing and approving all of the following proposed projects:

1. A capital expenditure in excess of \$1,000,000 made by or on behalf of a hospital.
2. The implementation of new services to a hospital that exceed \$500,000 in a 12-month period.
3. An expenditure in excess of \$500,000 made by or on behalf of a hospital, independent practitioner, limited liability company, partnership, unincorporated medical group or service corporation for clinical medical equipment.
4. The purchase or acquisition of a hospital.
5. The construction or operation of an ambulatory surgery center or a home health agency.

Current law sets forth criteria that the commission must use in its review of an application for project approval. These criteria focus on the economic efficiency of and need for the proposed projects. The first priority of the commission in applying the criteria must be cost containment.

The cost containment council represents economic, provider, scientific and consumer viewpoints. It advises the commission, reviews proposed commission rules and periodically reports on the performance of the commission and its operations.

This bill eliminates the cost containment commission, the cost containment council and the capital expenditure review program. Under this bill, capital expenditure projects that currently require the commission's review and approval will no longer be subject to that requirement.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 15.195 (10) of the statutes is repealed.

2 **SECTION 2.** 15.197 (10) of the statutes is repealed.

3 **SECTION 3.** 20.435 (1) (gm) of the statutes is amended to read:

4 20.435 (1) (gm) *Licensing, review and certifying activities.* The amounts in the
5 schedule for the purposes specified in ss. 50.135, 50.49 (2) (b), 146.50 (8), 250.05 (6),
6 252.22 (7), 254.176, 254.178, 254.20 (5) and (8), 254.31 to 254.39, 254.47, 254.61 to
7 254.89 and 255.08 (2), subch. IV of ch. 50 and ch. 150. All moneys received under ss.
8 50.135, 50.49 (2) (b), 50.93 (1) (c), 146.50 (8) (d), 150.13, 250.05 (6), 252.22 (7),
9 254.176, 254.178, 254.20 (5) and (8), 254.31 to 254.39, 254.47, 254.61 to 254.89 and
10 255.08 (2) (b), less the amounts appropriated under s. 20.488 (1) (g), shall be credited
11 to this appropriation.

12 **SECTION 4.** 20.488 of the statutes is repealed.

13 **SECTION 5.** 20.923 (4) (c) 1m. of the statutes is repealed.

14 **SECTION 6.** 20.923 (4) (d) 4. of the statutes is repealed.

15 **SECTION 7.** 50.135 (2) (c) of the statutes is amended to read:

16 50.135 (2) (c) The fees collected under par. (a) shall be credited to the
17 appropriation under s. 20.435 (1) (gm) for ~~health planning and cost containment~~

1 ~~activities and to the appropriation under s. 20.488 (1) (g) licensing, review and~~
2 ~~certifying activities.~~

3 **SECTION 8.** 150.01 (6m) of the statutes is repealed.

4 **SECTION 9.** 150.01 (6r) of the statutes is repealed.

5 **SECTION 10.** 150.01 (12m) of the statutes is repealed.

6 **SECTION 11.** 150.01 (14) of the statutes is repealed.

7 **SECTION 12.** 150.10 of the statutes is repealed.

8 **SECTION 13.** 150.11 (5) of the statutes is amended to read:

9 150.11 (5) The department may reject the application for approval of a project
10 operated by any person who has repeatedly been subject to the penalties specified in
11 this section or may impose restrictions as part of its approval to ensure compliance
12 with subchs. I, and II and III.

13 **SECTION 14.** Subchapter III of chapter 150 [precedes 150.61] of the statutes is
14 repealed.

15 **SECTION 15.** 150.93 (3) of the statutes is amended to read:

16 150.93 (3) A person may obligate for a capital expenditure, by or on behalf of
17 a hospital, to renovate or replace on the same site existing approved beds of the
18 hospital or to make new construction, if the renovation, replacement or new
19 construction does not increase the approved bed capacity of the hospital, ~~except that~~
20 ~~obligation for such a capital expenditure that exceeds \$1,000,000 is subject to subch.~~
21 III.

22 **SECTION 16.** 153.05 (4m) of the statutes is repealed.

23 **SECTION 17.** 230.08 (2) (mp) of the statutes is repealed.

24 (END)