

**2001 DRAFTING REQUEST**

**Bill**

Received: **02/19/2001**

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **DuWayne Johnsrud (608) 266-3534**

By/Representing: **Himself**

This file may be shown to any legislator: **NO**

Drafter: **kunkemd**

May Contact:

Addl. Drafters:

Subject: **Occupational Reg. - prof lic**

Extra Copies: **DAK, TNF**

Submit via email: **NO**

**Pre Topic:**

No specific pre topic given

**Topic:**

Hospital administrator licenses

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	kunkemd 04/26/2001	wjackson 05/14/2001	haugeca 05/14/2001	_____	lrb_docadmin 05/14/2001		State
	kunkemd 11/05/2001	hhagen 11/06/2001		_____			
/2	kunkemd 12/03/2001	hhagen 12/04/2001	kfollet 11/07/2001	_____	lrb_docadmin 11/07/2001		State
/3			pgreensl 12/05/2001	_____	lrb_docadmin 12/05/2001	lrb_docadminState 03/13/2002	

Vers.      Drafted      Reviewed      Typed      Proofed      Submitted      Jacketed      Required

haugca \_\_\_\_\_  
12/05/2001 \_\_\_\_\_

FE Sent For: @ wtr

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/2	kunkemd 12/03/2001	hhagen 12/04/2001	kfollet 11/07/2001	_____	lrb_docadmin 11/07/2001		State
/3			pgreensl 12/05/2001	_____	lrb_docadmin 12/05/2001		State

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/2		13hmk 12/4/01	kfollet 11/07/2001	_____	lrb_docadmin 11/07/2001		State

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*PK 12/4*      *PK 12/5*

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Requester's email:

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/1	kunkemd 04/26/2001	wjackson 05/14/2001 <i>12 hmk 11/6/01</i>	haugeca 05/14/2001 <i>Kjl UPP</i>	<i>SLJF 11/7</i>	lrb_docadmin 05/14/2001		State

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#### Topic:

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#### Instructions:

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17	kunkemd	1 wj 5/14	CH 5-14	<del>CH 5-14</del> pb			State

FE Sent For:

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**B I L L**  
**REQUEST FORM**

**LEGISLATIVE REFERENCE BUREAU**  
**Legal Section Telephone: 266-3561**  
**5th Floor, 100 N. Hamilton Street**

Use of this form is optional. It is often better to talk directly with the LRB attorney who will draft the bill.

Use this form only for **BILL** drafts. Attach more pages if necessary.

Legislator, agency or other body requesting this draft: Representative DuWayne Johnson

Date: 2/16/01 Person submitting request (name, phone number): Larry Konopacki - 63534

Persons to contact for questions about this draft (names, phone numbers): Larry Konopacki - 63534

**Describe the problem, including any helpful examples.**

**How do you want to solve the problem?**

*please see attached memo*

Please attach a copy of any correspondence or other material that may help us.

If you know of any statute sections that might be affected, list them or provide a marked-up (not retyped) copy. \_\_\_\_\_

You may attach a marked-up (not retyped) copy of any LRB draft, or provide its number (e.g., 1997 LRB-2345/1 or 1995.AB-67): \_\_\_\_\_

**Requests are confidential unless stated otherwise.**

- May we tell others that we are working on this for you?  Yes  No
- If yes: Anyone who asks?  Yes  No Any legislator?  Yes  No Only the following persons: \_\_\_\_\_

Do you consider this request urgent?  Yes  No If yes, please indicate why: \_\_\_\_\_

Should we give this request priority over any other pending request of this legislator, agency or body?  Yes  No If yes, sign your name here: \_\_\_\_\_

Yes No





-2559

MDK?

# DuWayne Johnsrud

## State Representative

February 16, 2001

Bill drafting request for Rep. Johnsrud

**The Problem:** Currently, hospital administrators are not required to be licensed by the State of Wisconsin. Hospitals receive the majority of their financial reimbursement from state and federal dollars. Officials overseeing these operations should be expected to prove their competency and satisfy basic requirements.

**The Solution:** Require hospital administrators to be licensed by the Department of Regulation & Licensing. The procedure for licensing nursing home administrators could be used as a template. Requirements should include a bachelor's degree in hospital administration or an appropriate field, specific work experience, and abiding by standards of conduct. Applicants would be required to pass an examination which would test their knowledge of federal and state health care reimbursement programs.

Current hospital administrators who do not have earned the necessary degree would be given a five-year grace period to satisfy this requirement.

Licensed administrators would be required to complete twenty-four hours of continuing education credits during each two-year licensing period.

I suggest that the Board that oversees nursing home administrator licensure be modified to include this license type, so that a new board need not be created.

Please reference the licensing requirements for nursing home administrators for specifics.

- single board: 3 nursing home adm's  
(no sep. sections) 3 hospital administrators  
⊙ increase board by 1 member



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-2559/1

MDK:f:...

Wlj

O-NOTE

2001 BILL

LPS: Please  
check auto-ref.

GEN

1 AN ACT ...; relating to: licensing hospital administrators and granting  
2 rule-making authority.

*Analysis by the Legislative Reference Bureau*

Under current law, a person may not practice as a nursing home administrator, or use such a title, unless he or she is granted a license by the nursing home administrator examining board (board). To obtain a license, a person must pass an examination regarding the laws governing long-term care facilities, the administration of such facilities, and the needs of persons served by the facilities. A person may not take the examination unless he or she satisfies educational requirements that the board considers are adequate preparation for nursing home administration. In addition, a person may not take the examination if he or she has an arrest or conviction record the circumstances of which substantially relate to nursing home administration.

Also under current law, a nursing home administrator license expires on July 1 of each even-numbered year, unless the license is renewed. To renew a license, a person must apply to the board for a certificate of registration. In addition, the board may take disciplinary action against a person who is licensed, including suspending or revoking a license, if he or she engages in specified prohibited conduct. For example, the board may take disciplinary action if a person is incompetent or acts in a manner inconsistent with the health and safety of the residents of a nursing home, or if the nursing home that he or she administers has a pattern of serious violations of federal or state laws.

This bill requires the board to also grant licenses to hospital administrators and changes the name of the board to the hospital and nursing home administrator

**BILL**

examining board. Under the bill, a person may not practice as a hospital administrator, or use such a title, unless he or she is licensed as a hospital administrator by the board. The requirements for obtaining and renewing a hospital administrator license are similar to the requirements for a nursing home administrator license. For example, a person must pass an examination regarding the laws governing hospitals, the administration of hospitals, and the needs of patients served by hospitals. However, unlike the nursing home administrator examination, the hospital administrator examination must also test knowledge of federal and state health care reimbursement programs.

The bill also imposes similar requirements that a person must satisfy to take the hospital administrator examination. Like the nursing home administrator examination, a person may not take the hospital administrator examination if he or she has an arrest or conviction record the circumstances of which substantially relate to hospital administration. However, the educational requirements are different. Under the bill, a person may not take the hospital administrator examination unless he or she received a bachelor's degree in hospital administration or has completed an educational program that the board determines is substantially equivalent to receiving such a degree. For a limited time, the board must waive this educational requirement for a person who is primarily employed as a hospital administrator on the effective date of the bill. Until <sup>5</sup>years after the bill goes into effect, such a person may take the examination even if he or she does not satisfy the educational requirement. However, when a person who receives a waiver applies to renew his or her license that expires on July 1, 2008, the person must submit evidence that he or she satisfies the educational requirement. If the person does not satisfy the educational requirement by that date, his or her license may not be renewed and he or she may not continue to practice as a hospital administrator. ↗

In addition, the bill makes the following changes:

1. The bill requires a person who applies to renew a hospital administrator license to submit evidence that he or she completed at least 24 hours of continuing education during the preceding <sup>2</sup>-year period. Although current law requires a nursing home administrator to complete continuing education requirements, current law does not specify a minimum number of hours.

2. The bill requires the board to promulgate rules establishing a code of ethics governing the professional conduct of hospital and nursing home administrators. The rules may establish separate codes for each profession.

3. The bill allows the board to grant hospital administrator licenses to persons licensed as hospital administrators in other states. The board has similar authority under current law with respect to nursing home administrator licenses.

4. The board's authority to take disciplinary action is expanded so that the board may also take such action against persons licensed as hospital administrators. Therefore, for example, the board may take disciplinary action if a hospital administrator is incompetent or acts in a manner inconsistent with the health and safety of the patients in a hospital, or if the hospital that he or she administers has a pattern of serious violations of federal or state laws. ↻

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5. The bill changes the membership of the board, which consists of the following members under current law: ⑤ nursing home administrators, ② public members, one physician, one nurse, and, as a nonvoting member, the secretary of health and family services or his or her designee. This bill eliminates ② of the nursing home administrators and replaces them with ③ hospital administrators.

For further information see the *state* 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. 15.08 (1m) (b) of the statutes is amended to read:

2. 15.08 (1m) (b) The public members of the chiropractic examining board, the  
3. dentistry examining board, the hearing and speech examining board, the medical  
4. examining board, <sup>the</sup> respiratory care practitioners examining council and <sup>the</sup> Council on  
5. physician assistants, the board of nursing, the hospital and nursing home  
6. administrator examining board, the veterinary examining board, the optometry  
7. examining board, the pharmacy examining board, the examining board of social  
8. workers, marriage and family therapists, and professional counselors, and the  
9. psychology examining board shall not be engaged in any profession or occupation  
10. concerned with the delivery of physical or mental health care.

History: 1971 c. 40; 1975 c. 86, 199; 1977 c. 418; 1979 c. 32; 1979 c. 34 ss. 32e to 32s, 2102 (45) (a); 1979 c. 221; 1981 c. 94; 1983 a. 403, 524; 1985 a. 332, 340; 1987 a. 399; 1989 a. 229, 316, 359; 1991 a. 39, 160, 316; 1993 a. 105, 107, 184, 490; 1995 a. 245; 1997 a. 175; 1999 a. 180.

11. SECTION 2. 15.405 (7m) of the statutes is renumbered 15.405 (7m) (a) (intro.)  
12. and amended to read:

13. 15.405 (7m) (a) (intro.) NURSING HOSPITAL AND NURSING HOME ADMINISTRATOR  
14. EXAMINING BOARD. There is created a hospital and nursing home administrator  
15. examining board in the department of regulation and licensing consisting of 9  
16. ~~members appointed for staggered 4-year terms~~ and the secretary of health and  
17. family services or a designee, who shall serve as a nonvoting member. ~~Five, and the~~  
18. following members appointed for 4-year terms:

**BILL**

**SECTION 2**

1 1. Three members shall be who are nursing home administrators licensed in  
2 this state under ch. 456. ✓

3 3. One member shall be who is a physician.

4 4. One member shall be who is a nurse licensed under ch. 441. ✓

5 5. Two public members shall be public members.

6 (b) No more than 2 members appointed under par. (a) 1. to 5. may be officials  
7 or full-time employees of this state.

History: 1973 c. 90, 156; 1975 c. 39, 86, 199, 200, 383, 422; 1977 c. 26, 29, 203; 1977 c. 418; 1979 c. 34 ss. 45, 47 to 52; 1979 c. 221, 304; 1981 c. 94 ss. 5, 9; 1981 c. 356; 1983 a. 27, 403, 485, 538; 1985 a. 340; 1987 a. 257 s. 2; 1987 a. 264, 265, 316; 1989 a. 316, 340; 1991 a. 39, 78, 160, 189, 269; 1993 a. 16, 102, 463, 465, 491; 1995 a. 27 s. 9126 (19); 1995 a. 225; 1995 a. 305 s. 1; 1995 a. 321, 417; 1997 a. 96, 252, 300

8 **SECTION 3. 15.405 (7m) (a) 2.** of the statutes is created to read:

9 15.405 (7m) (a) 2. Three members who are hospital administrators licensed  
10 under ch. 456. ✓

11 **SECTION 4. 46.21 (1m) (am)** of the statutes is amended to read: ✓

12 46.21 (1m) (am) The county executive shall appoint under ss. 63.01 to 63.17  
13 an administrator of the county hospital. The appointment shall be made on the basis  
14 of recognized and demonstrated public interest in and knowledge of the problems of  
15 delivery of medical care and treatment, and with due regard to training, experience,  
16 executive and administrative ability and efficiency, and general qualifications and  
17 fitness for performing the duties of the office. An administrator may not be appointed  
18 under this paragraph unless he or she is licensed as a hospital administrator under  
19 ch. 456. ✓ The administrator shall file an official oath and bond in the amount  
20 determined by the county board of supervisors. The county board of supervisors may  
21 create positions to assist the administrator. The administrator shall be appointed by  
22 the county executive in the unclassified civil service and the appointment is subject  
23 to confirmation by the county board of supervisors under s. 59.17 (2) (bm). ✓

History: 1973 c. 136, 153, 262; 1975 c. 224; 1975 c. 413 s. 18; 1977 c. 271, 272, 449; 1979 c. 34; 1981 c. 217, 329, 391; 1983 a. 27, 239, 368, 524; 1985 a. 29 s. 3202 (23); 1985 a. 120, 176, 332; 1987 a. 399; 1989 a. 31, 112, 319; 1991 a. 274; 1993 a. 27, 186, 213, 446; 1995 a. 27, 77, 201; 1997 a. 27, 79, 164, 237, 283; 1999 a. 9.

## BILL

1 SECTION 5. 50.04 (2) (a) of the statutes is amended to read:

2 50.04 (2) (a) No nursing home within the state may operate except under the  
 3 supervision of an administrator licensed under ch. 456 by the <sup>hospital and</sup> nursing home  
 4 ~~administrators~~ <sup>administrator</sup> examining board. If the holder of a nursing home license is unable  
 5 to secure a new administrator because of the departure of an administrator, such  
 6 license holder may, upon written notice to the department and upon the showing of  
 7 a good faith effort to secure a licensed administrator, place the nursing home in the  
 8 charge of an unlicensed individual subject to conditions and time limitations  
 9 established by the department, with advice from the hospital and nursing home  
 10 administrator examining board. An unlicensed individual who administers a  
 11 nursing home as authorized under this subsection is not subject to the penalty  
 12 provided under s. 456.09.

History: 1977 c. 170 ss. 6, 29; 1977 c. 272; 1979 c. 34; 1981 c. 20, 121, 317, 391; 1983 a. 27 s. 2200 (1); 1985 a. 29; 1985 a. 182 s. 57; 1985 a. 332 s. 251 (1), (7); 1987 a. 27, 127, 399; 1989 a. 31, 336; 1991 a. 39, 269, 315; 1995 a. 27; 1997 a. 27, 114, 237, 252, 280; 1999 a. 9, 32, 103.

13 SECTION 6. 59.79 (10) of the statutes is amended to read:

14 59.79 (10) COUNTY HOSPITAL. Determine policy for the operation, maintenance<sup>u</sup>  
 15 and improvement of the county hospital under s. 49.71 (2) and, notwithstanding the  
 16 powers and duties specified under s. 46.21 (2) (k), (3r) and (6) with respect to the  
 17 county hospital and the administrator and specified under s. 46.21 (2) (b), (L), (m),  
 18 (n), (nm), (o), (p) and (q) and (3g), provide for the management of the county hospital  
 19 as the board considers appropriate, except that the employee positions at the  
 20 hospital will be county employee positions and except that the board may not employ  
 21 a person as a hospital administrator unless he or she is licensed as such under ch.  
 22 456. If the board acts under this subsection, the board may not discontinue  
 23 operation, maintenance<sup>u</sup> and improvement of the county hospital under s. 49.71 (2)

**BILL**

1 and shall exercise the duties under s. 46.21 (4m). This subsection does not apply if  
2 the board acts under s. 46.21 with respect to the county hospital under s. 49.71 (2).

History: 1995 a. 201 ss. 137, 164, 166, 168, 170, 184, 189, 194 to 196, 223/225, 235, 236, 431, 454; 1999 a. 9, 83.

3 **SECTION 7.** 440.08 (2) (a) 38k. of the statutes is created to read:

4 440.08 (2) (a) 38k. Hospital administrator: July 1 of each even-numbered year;  
5 \$56.

6 **SECTION 8.** Chapter 456 (title) of the statutes is amended to read:

7 **CHAPTER 456**

8 **HOSPITAL AND NURSING HOME** ✓

9 **ADMINISTRATOR EXAMINING BOARD**

10 **SECTION 9.** 456.01 (1) of the statutes is amended to read:

11 456.01 (1) "Examining board" means the hospital and nursing home  
12 administrator examining board.

History: 1975 c. 413 s. 18; 1979 c. 32 s. 92 (1); 1979 c. 124; 1983 a. 189; 1995 a. 27.

13 **SECTION 10.** 456.01 (1g) of the statutes is created to read:

14 456.01 (1g) "Hospital" has the meaning given in s. 50.33 (2).

15 **SECTION 11.** 456.01 (1r) of the statutes is created to read:

16 456.01 (1r) "Hospital administrator" means any individual responsible for  
17 planning, organizing, directing, and controlling the operation of a hospital, or who  
18 in fact performs such functions, whether or not such functions are shared by one or  
19 more other persons.

20 **SECTION 12.** 456.01 (3m) of the statutes is created to read:

21 456.01 (3m) "Practice of hospital administration" means the planning,  
22 organizing, directing, and controlling of the operation of a hospital.

23 **SECTION 13.** 456.01 (5) of the statutes is amended to read:

INSERT 6-22

**BILL**

1           456.01 (5) "Provisional license" is a temporary license issued to a provisional  
2           hospital or nursing home administrator under this chapter.

3           History: 1975 c. 413 s. 18; 1979 c. 32 s. 92 (1); 1979 c. 124; 1983 s. 189; 1995 a. 27.

3           **SECTION 14.** 456.01 (5m) of the statutes is created to read:

4           456.01 (5m) "Provisional hospital administrator" means an individual who has  
5           been licensed as such under this chapter.

6           **SECTION 15.** 456.02 (1) of the statutes is amended to read:

7           456.02 (1) Develop, impose, and enforce standards which must be met by  
8           ⑧ individuals ~~in order~~ to receive a license as a hospital or nursing home administrator,  
9           which standards shall be designed to insure that hospital or nursing home  
10          administrators will be individuals who are of good character and are otherwise  
11          suitable, and who, by training or experience in the field of institutional  
12          administration, are qualified to serve as hospital or nursing home administrators;

13          History: 1977 c. 418.

13          **SECTION 16.** 456.02 (4) of the statutes is amended to read:

14          456.02 (4) Establish and carry out procedures designed to insure that  
15          individuals licensed as hospital or nursing home administrators will, during any  
16          period that they serve as such, comply with the requirements of such standards;

17          History: 1977 c. 418.

17          **SECTION 17.** 456.02 (5) of the statutes is amended to read:

18          456.02 (5) Subject to the rules promulgated under s. 440.03 (1), receive,  
19          investigate, and take appropriate action with respect to, any charge or complaint  
20          filed with the examining board to the effect that any individual licensed as a hospital  
21          or nursing home administrator has failed to comply with the requirements of such  
22          standards;

23          History: 1977 c. 418.

23          **SECTION 18.** 456.02 (6) of the statutes is amended to read:



## BILL

## SECTION 18

1           456.02 (6) In cooperation with other agencies and appropriate organizations,  
 2           conduct a continuing study of the practice of hospital and nursing home  
 3           administration within the state with a view to the improvement of the standards  
 4           imposed for the licensing of such administrators and of procedures and methods for  
 5           the enforcement of such standards with respect to administrators of hospitals or  
 6           nursing homes who have been licensed as such;

History: 1977 c. 418.

7           **SECTION 19.** 456.03<sup>√</sup> of the statutes is amended to read:

8           **456.03 Licenses.** An applicant for a license as a hospital or nursing home  
 9           administrator who has successfully complied with the requirements for licensure  
 10          under this chapter and passed the examination shall be granted a license by the  
 11          examining board, certifying that the applicant, depending on the license granted,  
 12          has met the requirements of the laws and rules entitling the applicant to serve, act,  
 13          practice, and otherwise hold himself or herself out as a duly licensed hospital or  
 14          nursing home administrator.

History: 1975 c. 198; 1979 c. 162; 1991 a. 39.

15          **SECTION 20.** 456.04 (intro.)<sup>√</sup> of the statutes is amended to read:

16          **456.04 Examination requirements.** (intro.) The examining board shall  
 17          allow any person to take the examination for licensure as a hospital or nursing home  
 18          administrator who satisfies all of the following requirements:

History: 1971 c. 213 s. 5; 1975 c. 198; 1977 c. 29, 333; 1979 c. 337; 1981 c. 380; 1981 c. 391 s. 211.

19          **SECTION 21.** 456.04 (4)<sup>√</sup> of the statutes is amended to read:

20          **456.04 (4) Completes** For a nursing home administrator license, completes a  
 21          regular course of study or equivalent specialized courses or a program of study which <sup>that</sup>  
 22          the examining board considers adequate academic preparation for nursing home  
 23          administration.

History: 1971 c. 213 s. 5; 1975 c. 198; 1977 c. 29, 333; 1979 c. 337; 1981 c. 380; 1981 c. 391 s. 211.

**BILL**

1           **SECTION 22.** 456.04 (5) of the statutes is created to read:

2           456.04 (5) Except as provided in s. 456.072 (1), for a hospital administrator  
3 license, received a bachelor's degree in hospital administration or has completed an  
4 educational program that the examining board determines is substantially  
5 equivalent to receiving a bachelor's degree in hospital administration.

6           **SECTION 23.** 456.05 (intro.) of the statutes is amended to read:

7           **456.05 Examinations.** (intro.) The examining board shall determine the  
8 subjects of examination for applicants for licensure as hospital or nursing home  
9 administrators, and the scope, content, and format of such examinations. ~~The~~  
10 Depending on the license applied for, the examinations shall include examination of  
11 the applicant's knowledge of each of the following:

12           **SECTION 24.** 456.05 (1) of the statutes is amended to read:

13           456.05 (1) The laws governing the operation of hospitals or long-term care  
14 facilities and the protection of the interests, safety, and well-being of the patients or  
15 residents therein; and,

16           **SECTION 25.** 456.05 (2) of the statutes is amended to read:

17           456.05 (2) The elements of proper and effective administration of hospitals or  
18 long-term care facilities; and,

19           **SECTION 26.** 456.05 (3) of the statutes is amended to read:

20           456.05 (3) The psychological, physical, medical, and social needs of persons  
21 served in such hospitals or long-term care facilities.

22           **SECTION 27.** 456.05 (4) of the statutes is created to read:

23           456.05 (4) For a hospital administrator license, the requirements and  
24 procedures of federal and state health care reimbursement programs.

25           **SECTION 28.** 456.07 (1) of the statutes is amended to read:

**BILL****SECTION 28**

1           456.07 (1) Every individual who holds a license as a hospital or nursing home  
2 administrator issued by the department shall biennially apply to the examining  
3 board for a new certificate of registration and report any facts requested by the  
4 examining board on forms provided for such purpose.

History: 1977 c. 29; 1979 c. 162; 1991 a. 39.

5           **SECTION 29.** 456.07 (2) of the statutes is amended to read:

6           456.07 (2) The application for a new certificate of registration shall include the  
7 applicable renewal fee specified under s. 440.08 (2) (a) and, except as provided in sub.  
8 (2m) and s. 456.072 (2), evidence satisfactory to the examining board that during the  
9 biennial period immediately preceding application for registration the applicant has  
10 attended a ~~continuation~~ continuing education program or course of study. During  
11 the time between initial licensure and commencement of a full 2-year licensure  
12 period new licensees shall not be required to meet continuing education  
13 requirements. All registration fees are payable on or before the applicable renewal  
14 date specified under s. 440.08 (2) (a).

History: 1977 c. 29; 1979 c. 162; 1991 a. 39.

15           **SECTION 30.** 456.07 (2m) of the statutes is created to read:

16           456.07 (2m) The examining board may not issue a certificate of registration  
17 under sub. (2<sup>3</sup>) to an applicant for renewal of a hospital administrator license unless  
18 the applicant submits evidence satisfactory to the examining board that he or she has  
19 completed at least 24 hours of continuing education programs or courses of study  
20 during the biennial period immediately preceding the application.

21           **SECTION 31.** 456.07 (3) of the statutes is amended to read:

**BILL**

1           456.07 (3) Upon approval of an application for registration the examining  
2 board shall issue a certificate of registration to the hospital or nursing home  
3 administrator.

4 History: 1977 c. 29; 1979 c. 162; 1991 a. 39.

4           **SECTION 32.** 456.07 (4) of the statutes is amended to read:

5           456.07 (4) The license of a hospital or nursing home administrator who fails  
6 to comply with this section, and who continues to act as a hospital or nursing home  
7 administrator, may be suspended or revoked by the examining board.

8 History: 1977 c. 29; 1979 c. 162; 1991 a. 39.

8           **SECTION 33.** 456.07 (6) of the statutes is created to read:

9           456.07 (6) Only an individual who has qualified as a licensed and registered  
10 hospital administrator under this chapter and who holds a valid current registration  
11 certificate under this section for the current registration period may use the title  
12 “Hospital Administrator”<sup>STAT</sup> and the abbreviation “H.A.” after the person’s name. No  
13 other person may use or be designated by such title or such abbreviation or any other  
14 words, letters, sign, card, or device tending to or intended to indicate that the person  
15 is a licensed and registered hospital administrator.

16           **SECTION 34.** 456.072 of the statutes is created to read:

17           **456.072 Educational waiver for hospital administrators.** (1) If a person  
18 takes the examination for licensure as a hospital administrator before the first day  
19 of the 60th month beginning after the effective date of this subsection .... [revisor  
20 inserts date], the examining board shall waive the requirement under s. 456.04 (5)  
21 if the person submits evidence satisfactory to the examining board that, on the  
22 effective date of this subsection .... [revisor inserts date], the person was primarily  
23 employed as a hospital administrator.

**BILL****SECTION 34**

1           (2) The examining board may not renew a hospital administrator license that  
2 expires on July 1, 2008, of a person who receives a waiver under sub. (1) unless that  
3 person submits evidence satisfactory to the examining board, in addition to the  
4 evidence specified in s. 456.07 (2),<sup>✓</sup> that the person has received a bachelor's degree  
5 in hospital administration or has completed an educational program that the  
6 examining board determines is substantially equivalent to receiving a bachelor's  
7 degree in hospital administration.

8           **SECTION 35.** 456.078<sup>✓</sup> of the statutes is created to read:

9           **456.078 Code of ethics.** The examining board shall promulgate rules  
10 establishing a code of ethics to govern the professional conduct of hospital and  
11 nursing home administrators. The rules may establish separate codes for hospital  
12 and nursing home administrators.

13           **SECTION 36.** 456.08<sup>✓</sup> of the statutes is amended to read:

14           **456.08 Reciprocity.** The examining board may grant a hospital or nursing  
15 home administrator license under this chapter to a person who holds a hospital or  
16 nursing home administrator license issued by the proper authorities of any other  
17 state, upon payment of the fee specified in s. 440.05 (2) and upon submission of  
18 satisfactory evidence of the person's qualifications.

19           History: 1977 c. 29; 1991 a. 39.

20           **SECTION 37.** 456.09 (1) (b)<sup>✓</sup> of the statutes is amended to read:

21           456.09 (1) (b) Practice as a hospital or nursing home administrator, under cover  
22 of any license or registration illegally or fraudulently obtained or unlawfully issued;  
23 or

23           History: 1979 c. 162 ss. 35, 38 (7); 1981 c. 314.

23           **SECTION 38.** 456.09 (1) (c)<sup>✓</sup> of the statutes is amended to read:

**BILL**

1           456.09 (1) (c) Practice as a hospital or nursing home administrator or use in  
2 connection with his or her name any designation tending to imply that the person  
3 is a hospital or nursing home administrator unless duly licensed and registered to  
4 so practice under this chapter; or

History: 1979 c. 162 ss. 35, 38 (7); 1981 c. 314.

5           **SECTION 39.** 456.09 (1) (d) of the statutes is amended to read:

6           456.09 (1) (d) Practice as a hospital or nursing home administrator during the  
7 time his or her license or registration issued under this chapter is suspended or  
8 revoked; or

History: 1979 c. 162 ss. 35, 38 (7); 1981 c. 314.

9           **SECTION 40.** 456.09 (1) (e) of the statutes is amended to read:

10           456.09 (1) (e) Otherwise violate this chapter or a rule promulgated under this  
11 chapter.

History: 1979 c. 162 ss. 35, 38 (7); 1981 c. 314.

12           **SECTION 41.** 456.10 (1) (intro.) of the statutes is amended to read:

13           456.10 (1) (intro.) Subject to the rules promulgated under s. 440.03 (1), the  
14 examining board may, under sub. (2), revoke, limit, or suspend the license or  
15 registration of any person practicing or offering to practice hospital or nursing home  
16 administration or may reprimand, censure, or otherwise discipline a licensee under  
17 this section if any of the following is applicable:

History: 1977 c. 418; 1979 c. 355; 1997 a. 237; 1999 a. 85.

18           **SECTION 42.** 456.10 (1) (bm) of the statutes is amended to read:

19           456.10 (1) (bm) Proof is submitted that the licensee has ~~wilfully~~ <sup>Willfully</sup> or repeatedly  
20 acted in a manner inconsistent with the health and safety of the patients or residents  
21 of the hospital or nursing home in which the licensee is the administrator.

History: 1977 c. 418; 1979 c. 355; 1997 a. 237; 1999 a. 85.

22           **SECTION 43.** 456.10 (1) (c) of the statutes is amended to read:

## BILL

## SECTION 43

1 456.10 (1) (c) Proof is submitted that the licensee is guilty of fraud or deceit in  
2 his or her admission to the practice of hospital or nursing home administration.

3 History: 1977 c. 418; 1979 c. 355; 1997 a. 237; 1999 a. 85.

3 **SECTION 44.** 456.10 (1) (d) of the statutes is amended to read:

4 456.10 (1) (d) Proof is submitted that while the licensee was the administrator  
5 of a hospital or nursing home, that hospital or nursing home engaged in conduct that  
6 constituted a pattern of serious violations of federal or state statutes, rules or  
7 regulations.

8 History: 1977 c. 418; 1979 c. 355; 1997 a. 237; 1999 a. 85.

8 **SECTION 45.** 456.10 (2) of the statutes is amended to read:

9 456.10 (2) The examining board shall have jurisdiction to hear all charges  
10 brought under this section against persons licensed and registered as hospital or  
11 nursing home administrators or licensed as provisional hospital or nursing home  
12 administrators and upon such hearings shall determine such charges upon their  
13 merits. If the examining board determines that such person is guilty of the charges,  
14 the license or registration may be revoked or suspended or the licensee may be  
15 reprimanded, censured, or disciplined.

16 History: 1977 c. 418; 1979 c. 355; 1997 a. 237; 1999 a. 85.

16 **SECTION 46. Nonstatutory provisions.**

17 (1) In this <sup>No CS</sup> SECTION, "board" means the hospital and nursing home  
18 administrator examining board.

19 (2) Notwithstanding section 17.07 (3) of the statutes, the governor shall, no  
20 later than the first day of the 4th month beginning after the effective date of this  
21 subsection, designate for removal from the board ~~two~~<sup>2</sup> of the nursing home  
22 administrator members whose terms otherwise expire on July 1, 2006, and the terms  
23 of the ~~two~~<sup>2</sup> members who are so designated shall expire on the first day of the 7th  
24 month beginning after the effective date of this subsection.

## BILL

1 <sup>AM</sup> (3) Notwithstanding section 15.405 (7m) (a) <sup>✓</sup> of the statutes, as affected by this  
2 act, the initial hospital administrator members of the <sup>9</sup> ~~the~~ board shall be appointed  
3 by the first day of the 7th month beginning after the effective date of this subsection  
4 for the following terms:

5 (a) One member for a term expiring on July 1, 2005.

6 (b) One member for a term expiring on July 1, 2006.

7 (c) One member for a term expiring on July 1, 2007.

8 (4) Notwithstanding section 15.405 (7m) (a) 2. <sup>✓</sup> of the statutes, as created by this  
9 act, an initial hospital administrator member of the board appointed under  
10 subsection <sup>WAW</sup> (3) is not required to be licensed as hospital administrator under chapter  
11 456 of the statutes if the individual was, at the time of appointment, primarily  
12 employed as a hospital administrator, as defined in section 456.01 (1r) <sup>✓</sup> of the  
13 statutes, as created by this act.

14 SECTION 47. **Effective dates.** This act takes effect on the first day of the 7th  
15 month beginning after publication, except as follows:

16 <sup>A.R.</sup> (1) SECTION 46 of this act takes effect on the day after publication.

17 (END)



2001-2002 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-2559/lins  
MDK:.....

INSERT 6-22

- 1 SECTION 1. 456.01 (4)<sup>y</sup> of the statutes is amended to read:
- 2 456.01 (4) "Practice of nursing home administration" means the planning,
- 3 organizing, directing, and ~~control~~ controlling of the operation of a nursing home.

History: 1975 c. 413 s. 18; 1979 c. 32 s. 92 (1); 1979 c. 124; 1983 a. 189; 1995 a. 27.

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-2559/1dn

MDK/.....

W-LJ

Representative Johnsrud:

Please review this bill very carefully to make sure that it achieves your intent. In particular, please note the following:

1. Like the definition of "nursing home" under current law, the bill defines "hospital" by using a definition in ch. 50, stats. Is it okay?

2. Do you want to create any exemptions from the requirement to be licensed as a hospital administrator? Also, I haven't researched this issue, but I wonder whether it is permissible for the state to require an administrator of a federal hospital (such as a VA hospital) to be licensed. Perhaps it could be argued, under the principle of federalism, that the state can't impose such a requirement on the federal government. I'm not sure whether this is a significant issue, but I want to bring it to your attention. Please let me know whether you want me to look into the issue.

3. The bill treats hospital and nursing home administrators as similarly as possible. However, based on your instructions, the bill requires a bachelor's degree in hospital administration (or the equivalent) for a hospital administrator license. In contrast, a bachelor's degree is not specifically required for a nursing home administrator license. Instead, the education that is required is left entirely up to the board. Is that okay? Also, an examination for a hospital administrator license must test knowledge of the requirements and procedures of federal and state health care reimbursement programs. Do you want examinations for nursing home administrator licenses to include a similar test? In addition, a hospital administrator license may be renewed only if the applicant has completed 24 hours of continuing education during the <sup>sp</sup> previous ② years. No minimum hours are specified for renewal of a nursing home administrator license. Is that okay?

4. The bill requires the board to promulgate rules establishing a code of ethics for hospital and nursing home administrators. I added this requirement because your instructions state that hospital administrators should abide by a standard of conduct. It is common for other statutes that regulate professionals to require a board to promulgate rules establishing a code of ethics, so I did the same thing in this bill. Is that okay? Also, I assume that the board should establish a code for both hospital and nursing home administrators.

5. The instructions provide that specific work experience should be required for a hospital administrator license. Note that under s. 456.02 (7), stats., (which the bill does not affect) the examining board must develop and enforce standards for supervised practical experience that are required for licensure. I think that this requirement should address your concern on work experience. If you want something more specific, please let me know.

6. In the nonstatutory provisions of the bill, I allow a person who is not licensed as a hospital administrator to be appointed as a member of the board. The reason is that, when the bill goes into effect, no one will be licensed as a hospital administrator. People will only be licensed as hospital administrators only after the board, with its new members, begins to issue such licenses. Therefore, it is not possible to require that the initial hospital administrator members of the board be licensed as hospital administrators. What the bill requires instead is that such a member must be primarily employed as a hospital administrator when appointed to the board. You could impose more stringent requirements, such as, for example, that the person has been primarily employed as a hospital administrator for a specified number of years immediately preceding the appointment. Let me know what you think.

7. On a point related to item 6, <sup>1/2</sup>note that a person may get the educational requirement waived for a limited period (i.e., 5 years) if he or she is primarily employed as a hospital administrator on the effective date of the bill. See proposed s. 456.072 (1). Do you want to impose a more stringent requirement, such as requiring that the person be employed for a specified number of years before the effective date of the bill?

8. In adding provisions dealing with hospital administrators to ch. 456, stats., I took the opportunity to make some changes to that chapter to conform to our current drafting style. However, I assume that you want to make minimal changes to current law regarding nursing home administrators, so I didn't completely rewrite the chapter to conform to our current drafting style.

9. Sections 46.21 (1m) (am) and 59.79 (10), stats., allow counties to employ administrators of county hospitals. The bill amends these provisions so that it is clear that a county may only employ a person who is licensed under the bill.

Mark D. Kunkel  
Legislative Attorney  
Phone: (608) 266-0131  
E-mail: mark.kunkel@legis.state.wi.us

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-2559/1dn  
MDK:wlj:ch

May 14, 2001

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2. Do you want to create any exemptions from the requirement to be licensed as a hospital administrator? Also, I haven't researched this issue, but I wonder whether it is permissible for the state to require an administrator of a federal hospital (such as a VA hospital) to be licensed. Perhaps it could be argued, under the principle of federalism, that the state can't impose such a requirement on the federal government. I'm not sure whether this is a significant issue, but I want to bring it to your attention. Please let me know whether you want me to look into the issue.
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Mark D. Kunkel  
Legislative Attorney  
Phone: (608) 266-0131  
E-mail: mark.kunkel@legis.state.wi.us

## Kunkel, Mark

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**From:** Konopacki, Larry  
**Sent:** Thursday, October 11, 2001 12:08 PM  
**To:** Kunkel, Mark  
**Subject:** LRB 2559

Mark, I've looked through LRB 2559 and have answered your questions below. Thank you.

Larry Konopacki  
Office of Rep. Johnsrud

- 1) Yes - **NO CHANGE**
- 2) Please exempt federally-appointed administrators. Are there any federal administrators that would fall under state regulation as nursing home administrators currently, and if so how do we deal with that? → **ADD exemption ✓**
- 3) Please require a bachelors degree for nursing home administrators also, and please require that NHAs be tested on their knowledge of the requirements and procedures of federal and state health care reimbursement programs. → **CHECK WITH DRL? - D-NOTE ✓**  
✓ **MAKE CHANGES**
- 4) Yes to all. **NO CHANGES**
- 5) the s. 456.02 (7), stats. requirement sounds like the way to go. **NO CHANGE**
- 6) A simple requirement that the appointee be employed as a hospital administrator should work. **NO CHANGE**
- 7) No. Your requirements are sufficient **NO CHANGE**
- 8) I noticed a few of these changes in reading the draft, feel free to make changes of this sort as you see fit. **NO CHANGE**
- 9) Great! **NO CHANGE**

Thanks again Mark, your draft and questions are very thorough, and that saves us all time. I appreciate it.

Larry