

### Fiscal Estimate - 2001 Session

Original
  Updated
  Corrected
  Supplemental

<b>LRB Number</b> <b>01-2559/3</b>	<b>Introduction Number</b> <b>AB-924</b>
<b>Subject</b> Hospital administrator licenses	
<b>Fiscal Effect</b>	
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input checked="" type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
<b>Agency/Prepared By</b> R&L/ Gary Gorlen (608) 261-7094	<b>Authorized Signature</b> Gary Gorlen (608) 261-7094
<b>Date</b> 03/22/2002	

## Fiscal Estimate Narratives

R&L 03/22/2002

LRB Number	01-2559/3	Introduction Number	AB-924	Estimate Type	Original
<b>Subject</b>					
Hospital administrator licenses					

### Assumptions Used in Arriving at Fiscal Estimate

A search has not turned up any national hospital administrator examinations appropriate for licensure. The proposed law calls for an exam regarding laws governing hospitals, the administration of hospitals, and the needs of patients served by hospitals, plus knowledge of federal and state health care reimbursement programs. For purposes of the estimate, the goal is a 150 question national exam and a 100 question state law exam, similar to nursing home exams. There may be 120 candidates the first year. Perhaps 20 per year thereafter.

In addition, the proposed law calls for testing of nursing home administrators on knowledge of federal and state health care reimbursement programs. The state law exam for nursing home administrators would need to be updated to include state law on reimbursement. The national NHA exam covers national law.

The effective date of the new law should take into account that it will take approximately thirteen months to develop the new exams. The estimated cost of developing the exam is \$19,500. All hours and costs would occur the first year, and about every fifth year thereafter as maintenance.

Continuing Education is also made part of the licensing requirement. A review of suitable course will be done as well as review of CE credits submitted as part of the license request. Monitoring and enforcement of the CE requirement will also need to be done. The estimated cost of Continuing Education is approximately \$2,000.

Rules will need to be written for Hospital Administrators and revisions made to Nursing Home Administrator rules. The cost is estimated at \$2,500.

The cost of the actual review and issuance of the license is approximately \$4,000.

The cost of complaint investigation is unknown, but estimated initially at \$2,500.

### Long-Range Fiscal Implications