CERTIFICATE

STATE OF WISCONSIN

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DEPARTMENT OF HEALTH AND SOCIAL SERVICES)

DEC 12 1986
Revisor of Statutes

Bureau

I, Linda Reivitz, Secretary of the Department of Health and Social Services and custodian of the official records of the Department, do hereby certify that the annexed rules relating to long-term care bed additions and capital expenditure review for long-term care facilities, hospitals, other acute care facilities and home health agencies were duly approved and adopted by this Department on December 12, 1986.

I further certify that this copy has been compared by me with the original on file in the Department and that this copy is a true copy of the original, and of the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department at the State Office Building, 1 W. Wilson Street, in the city of Madison, this 12th day of December, 1986.

SEAL:

Linda Reivitz, Secretary

Department of Health and Social Services

ORDER OF THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES

AMENDING, REPEALING AND RECREATING AND CREATING RULES

To repeal HSS 123.03(35); to amend HSS 122.07(1)(intro.) and (2)(a)(intro.) and 1, 122.09(7)(b)(intro.), 123.02(2), 123.03(40), 123.04(1), 123.08(2), 123.12(2)(a), 123.13(1)(b), 123.16(3)(b)(intro.), 123.24(2)(a), 123.29(5), and 123.30(1) and (2)(b); to repeal and recreate HSS 122.05(1)(b) and (c), 123.11(2)(a) and (b), and 123.15 (title); and to create HSS 122.03(17m), 122.04(2)(e), 122.07(2)(a)4, 123.03(17m), 123.04(2)(f), 123.045, and 123.16(3)(cm), relating to long-term care bed additions and capital expenditure review for long-term care facilities, hospitals, other acute care facilities and home health agencies.

Analysis Prepared by the Department of Health and Social Services

This rulemaking order amends chs. HSS 122 and 123, Wis. Adm. Code, to implement changes made in ch. 150, Stats., by the current Budget Act, 1985 Wisconsin Act 29 and by 1985 Wisconsin Act 72, and to clarify or further develop certain other parts of chs. HSS 122 and 123 based on experience with the original rules which went into effect in April 1985. Subchapter II of ch. 150, Stats., and ch. HSS 122 limit the number of nursing home beds permitted in the state, provide for periodic adjustment of that limit, include methodologies for distributing new and reallocated nursing home beds, and provide criteria and procedures for the review of applications to construct new nursing homes, add beds to existing homes, or renovate or replace existing nursing homes. Subchapter III of ch. 150, Stats., and ch. HSS 123 provide for prior review and approval by the Department of the capital expenditures of hospitals, the acquisition of a hospital, any increase in hospital approved bed capacity, the implementation of any of 6 specified health care programs, a substantial change in a hospital service or unit, the purchase of clinical medical equipment costing over \$1 million, the construction of an ambulatory surgery center, and the operation of a home health agency.

In ch. HSS 122, the Department is permitted to reduce the statewide bed limit for nursing homes under certain conditions; the methodology for distributing available nursing home beds is revised because data was not available to implement the original methodology for distributing beds among counties within a service area; provision is made for redistributing closed beds; refinements are made in the process for making decisions about competing applications for new beds, including introduction of the concept of composite per diem rates; and the obtaining of "financing in an amount sufficient to complete the project" is substituted for "permanent financing" in a rule that requires the Department to revoke an approval at the end of a period of time if financing has not been obtained for a project.

In ch. HSS 123, the thresholds for review of proposed capital expenditures and for the purchase of clinical medical equipment are raised from \$600,000 to \$1 million; definitions are added for "implement", for the 6 specified health care programs and services for

which implementation is reviewable and for types of capital expenditures that are exempt from review; to the section of the rule dealing with applications that cannot be accepted by the Department, two new categories are added, including until July 1, 1988, an application to establish a new hospital or to relocate an existing hospital; the method of calculating forfeiture amounts is revised for projects subsequently approved after being initiated without the Department's approval; conditions are added for approval of additional neonatal beds in high occupancy planning areas; an exception to the requirement that an applicant submit a 5-year capital budget report in order for the appplication to be considered complete is made for a hospital that acquires another hospital; and the number of categories of approved beds in each hospital is increased from 2 to 4.

The Department's authority to amend, repeal and recreate, and create these rules is found in s.150.03, Stats. The rules interpret ch. 150, Stats., as amended by 1985 Wisconsin Acts 29 and 72.

Pursuant to the authority vested in the Department of Health and Social Services by s. 150.03, Stats., the Department of Health and Social Services hereby amends, repeals and recreates, and creates rules interpreting ch. 150, Stats., as amended by 1985 Wisconsin Acts 29 and 72, as follows:

SECTION 1. HSS 122.03(17m) is created to read:

HSS 122.03(17m) "Long term care services" means services provided by nursing homes and services provided by community agencies to persons diverted or relocated from nursing home placement under a medical assistance waiver.

SECTION 2. HSS 122.04(2)(e) is created to read:

HSS 122.04(2)(e) Other allowable bed reduction criteria. 1. The department may decrease the statewide bed limit, on a bed-for-bed basis, to account for beds made available by the reduction of licensed beds not included in pars. (b) to (d). The department may decrease the statewide bed limit under this paragraph only if:

- a. The county in which the beds were located had more than 125 percent of the statewide average number of nursing home beds per 1,000 persons 65 years of age or older, as determined under subd. 2, prior to the reduction in that county; and
- b. No decrease under this paragraph may result in the county in which the bed reduction occurred having fewer than the statewide average number of nursing home beds per 1,000 persons 65 years of age or older.
- 2. The statewide average number of nursing home beds per 1,000 persons 65 years of age or older in subd. 1 is calculated by dividing the total current number of licensed nursing home beds exclusive of FDD beds in the state, as reported by the department's bureau of quality compliance, by the total current estimated population of persons 65

years of age or older, as determined by the Wisconsin department of administration, and multiplying that result by 1,000.

SECTION 3. HSS 122.05(1)(b) and (c) are repealed and recreated to read:

HSS 122.05(1)(b) <u>Distribution of a planning area's allotment of</u>
new nursing home beds. 1. The department shall distribute new nursing home beds exclusive of FDD beds within a planning area by:

- a. Calculating the age-specific statewide use rates for long-term care services by adding the total statewide number of persons being served under a medical assistance waiver, exclusive of persons relocated from a state center for the developmentally disabled under s. 46.275, Stats., and the total statewide number of persons utilizing nursing homes, exclusive of FDDs, for each of the age groups under 21, 21 to 54, 55 to 64, 65 to 74, 75 to 84 and 85+, and dividing the resulting sum for each age group by the current total statewide population for that age group. Utilization data shall be for December 31 of the most recent year for which data is available;
- b. Determining the age-specific expected county use of long-term care services by multiplying each age-specific statewide use rate by the actual current population for each age group in each county as estimated by the Wisconsin department of administration;
- c. Determining each county's total expected use of long-term care services by summing the age-specific calculations in subpar. b for each county;

- d. Determining the actual countywide use of long-term care services by adding the total number of residents of the county reported in the department's annual survey of nursing homes as residing in nursing homes, exclusive of FDD's, on December 31 of the recent survey year, and the number of persons being served under a medical assistance waiver, exclusive of persons relocated from a state center for the developmentally disabled under s.46.275, Stats., in the same year in that county; and
- e. Determining the ratio of actual use to expected use by dividing the result of the calculation in subpar. d by the result of the calculation in subpar. c.
- 2. Except as provided in subd. 3, only applicants whose projects would be located in counties which meet both of the following conditions are eligible to compete for new beds:
- a. The ratio of actual use to expected use as calculated in subd. 1 e is less than one; and
- b. The countywide occupancy rate as reported in the most recently available annual survey of nursing homes is greater than 94 percent. The countywide occupancy rate is calculated by dividing the sum of all patient days for all nursing homes exclusive of FDDs in a county, as reported in the annual survey of nursing homes, by the number of days in the calendar year and then dividing that result by the total current number of licensed nursing home beds in that county, exclusive of FDDs, as reported by the department's bureau of quality compliance.

- 3. If the ratio of actual use to expected use in a county is greater than one and that county is contiguous to another county which meets the conditions set forth in subd. 2, that county is eligible to compete for new beds if the HSA has documented in its health systems plan evidence of substantial problems regarding availability of or accessibility to nursing home and other long-term care support services within the county.
- 4. a. The department shall review the methodology under subds. 1 and 2 every 3 years in consultation with the HSAs, the area agencies on aging, the county social service or human service departments and representatives of the nursing home industry.
- b. The department shall annually update data necessary to establish a priority list of counties for the purpose of allocating beds. The department may revise the priority list between annual updates to reflect changes in bed capacity resulting from approvals under this subchapter, reductions in the capacity of existing nursing homes, facility closures, or relocation of beds or facilities within a planning area.
- (c) Redistribution of closed nursing home beds. 1. The department may distribute nursing home beds, exclusive of FDD beds, made available in the state as a result of facility closure or bed capacity reductions which were not closed under a medical assistance waiver, as specified in 42 CFR 1396n, and which were not replaced by CBRF beds converting to nursing home licensure. Except as provided in s. 150.40, Stats.,

applications to replace or redistribute closed beds may be submitted only from counties which are eligible to compete for new beds under par. (b).

- 2. Except as provided in s. 150.40, Stats., the department shall redistribute beds under this paragraph to the planning area in which they were originally located.
- 3. The statewide average of nursing home beds for each 1,000 persons 65 years of age or over referred to in s. 150.40, Stats., is calculated by dividing the total current number of licensed nursing home beds, exclusive of FDD beds, in the state, as reported by the department's bureau of quality compliance, by the total current estimated population of persons 65 years of age and older, as determined by the Wisconsin department of administration, and multiplying that result by 1,000.
- 4. The department may not approve more beds for redistribution within a planning area, or within a county if s. 150.40, Stats., is applicable, than were made available as a result of facility closure or bed reduction in that planning area or county.

SECTION 4. HSS 122.07(1)(intro.) and (2)(a) (intro.) and 1 are amended to read:

HSS 122.07 (a) (1). REVIEW CRITERIA. The department shall use the criteria set out in this subsection in its review of all applications for project approval. Cost containment shall be the first priority in

applying these criteria. The department may not approve a project unless the applicant has demonstrated that:

- (2) RANKING AND SELECTION PROCESS. (a) Applications for new or redistributed beds which meet all of the criteria in sub.(1) shall be subject to the following final selection process:
- 1. Applications shall be ranked in the order of their proposed composite per diem rates, beginning with the lowest and ending with the highest. Rates within one percent of each other shall be considered equal for purposes of ranking. The composite per diem rate shall be calculated as follows:
- a. Multiply the proposed skilled nursing facility per diem rates,

 exclusive of supplements, for each payment source by the percentage of

 projected skilled nursing facility patient days by payment source.
- b. Add all the products of the multiplication in subpar. a to obtain the composite per diem rate.
- c. The department shall review the applicant's methodology for calculation of the proposed rates for consistency with current reimbursement practices and reasonableness. An applicant whose rates are found to be inconsistent or unreasonable will be removed from the selection process.

SECTION 5. HSS 122.07(2)(a)4 is created to read:

HSS 122.07(2)(a)4. If the composite per diem rate for 2 or more of the applicants undergoing concurrent review is equal, the department shall approve or deny those projects as follows:

- a. If the total number of beds proposed by all applicants undergoing concurrent review is less than the total number of beds available, each of the projects shall be approved; and
- b. If the total number of beds proposed by all applicants undergoing concurrent review is greater than the number of beds available, applications shall be ranked on the basis of per bed cost as calculated in s. HSS 122.07(1)(c), beginning with the lowest and ending with the highest. The department shall then approve projects in order of this ranking until all beds available are distributed.

SECTION 6. HSS 122.09(7)(b)(intro.) is amended to read:

HSS 122.09(7)(b) The department shall revoke an approval at the end of the period of validity of an approval if the status reports required under sub. (1) indicate that permenent financing in an amount sufficient to complete the project has not been obtained, an obligation has not been incurred for the entire project or 20 percent of the approved project cost, including fees, has not been spent. An approval holder has obtained permenent financing in an amount sufficient to complete the project when:

SECTION 7. HSS 123.02(2) is amended to read:

HSS 123.02(2) This chapter applies to any person who proposes to:

- (a) Obligate for a capital expenditure, by or on behalf of a hospital, that exceeds \$600,000 either of the following limits, as adjusted by the department under s. 150.15, Stats. and s. HSS 123.04(3):
 - 1. \$1,000,000; or
 - 2. \$1,500,000 in either of the following situations:
- a. The project is limited to the conversion to a new use of part or all of an existing hospital building; or
- b. The project is limited to the renovation of an existing hospital building. This subparagraph does not apply to new construction or building additions;
- (b) Undertake Before July 1, 1986, undertake a substantial change in a health service;
- (bm) On or after July 1, 1986, implement an organ transplant program,
 burn center, neonatal intensive care program, cardiac program or air
 transport services, or add psychiatric or chemical dependency beds;
- (c) Obligate for an expenditure, by or on behalf of a hospital, independent practitioner, partnership, unincorporated medical group or

\$1,000,000, as adjusted by the department under s. 150.15, Stats., and s. HSS 123.04(3);

- (d) Purchase or otherwise acquire a hospital;
- (e) Add to a hospital's approved bed capacity; or
- (f) Construct or operate an ambulatory surgery center or a home health agency.

SECTION 8. HSS 123.03(17m) is created to read:

HSS 123.03(35) "Financing sufficient to complete the project" means that the funds are available to the approval holder in an amount sufficient to complete the project.

SECTION 9. HSS 123.03(35) is repealed.

SECTION 10. HSS 123.03(40) is amended to read:

HSS 123.03(40) "Rate-setting authority" means the body authorized under s--146-60;-Stats-;-or ch. 54, Stats., which reviews and approves non-government increases in hospital rates.

SECTION 11. HSS 123.04(1) is amended to read:

HSS 123.04 PROJECTS SUBJECT TO APPROVAL BY THE DEPARTMENT.

- (1) TYPES OF PROJECTS. Except as provided under ss. HSS 123.045 and 123.05, no person may do any of the following without first obtaining the department's approval of the action as a project:
- (a) Obligate for a capital expenditure, by or on behalf of a hospital, that exceeds \$600,000 either of the following limits, as adjusted by the department under s. 150.15, Stats., and sub.(3);:
 - 1. \$1,000,000; or
 - 2. \$1,500,000 in either of the following situations:
- a. The project is limited to the conversion to a new use of part or all of an existing hospital building; or
- b. The project is limited to the renovation of an existing hospital building. This subparagraph does not apply to new construction or building additions;
- (b) Undertake Before July 1, 1986, undertake a substantial change in health service;

- (bm) On or after July 1, 1986, implement an organ transplant program, burn center, neonatal intensive care program, cardiac program or air transport services, or add psychiatric or chemical dependency beds;
- (c) Obligate for an expenditure, by or on behalf of a hospital, independent practitioner, partnership, unincorporated medical group or service corporation, for clinical medical equipment that exceeds \$600,000 \$1,000,000, as adjusted by the department under s. 150.15, Stats. and sub.(3);
 - (d) Purchase or otherwise acquire a hospital;
 - (e) Add to a hospital's approved bed capacity; or
- (f) Construct or operate an ambulatory surgery center or a home health agency.

SECTION 12. HSS 123.04(2)(f) is created to read:

HSS 123.04(2)(f) In regard to the reviewable services under sub. (1)(bm) and s. HSS 123.02(2)(bm):

- 1. "Implement" has the meaning set forth for the addition of a service or unit under sub. (4)(a)4;
- 2. Cardiac program includes a cardiac catheterization service as defined in s. HSS 123.15(2)(f) and a cardiac surgery service as defined in s. HSS 123.15(2)(i);

- 3. A neonatal intensive care program includes a neonatal intensive care unit and a perinatal care center as defined in s. HSS 123.16(2)(f) and (i);
- 4. An organ transplant program includes any program to transplant human, animal or artificial organs but does not include programs to transplant skin or corneas or the human heart transplant program located at St. Luke's hospital in Milwaukee on the effective date of this rule; and
- 5. Air transport services include air ambulance services as defined in s. HSS 123.20.
- 6. To implement air transport services includes putting into service one or more additional air ambulances as defined in s. HSS 123.20, by or on behalf of an entity already operating an air ambulance.

SECTION 13. HSS 123.045 is created to read:

HSS 123.045 EXEMPTIONS FROM CAPITAL EXPENDITURE REVIEW.

- (1) DEFINITIONS. In this subsection:
- (a) "Computer system" means an electronic information-collecting system used for management or record-keeping purposes but does not include any system dedicated to clinical applications.
- (b) "Energy conservation" means efforts undertaken by a hospital which increase efficiency of energy usage to reduce overall energy consumption by the hospital.

- (c) "Hospital gross annual patient revenue" means the sum of all charges established by the rate-setting authority and levied by a hospital for all hospital inpatient and outpatient medical services.
- (d) "Nonsurgical outpatient services" means all medical services, excluding operative procedures, provided on an outpatient basis.
- (2) Except as provided in sub. (4), a capital expenditure by or on behalf of a hospital is exempt from review under this chapter if the expenditure is for one or more of the following purposes:
 - (a) A computer system;
 - (b) An electrical system;
 - (c) Energy conservation;
 - (d) Heating, ventilation or air conditioning;
 - (e) Nonsurgical outpatient services; or
 - (f) Telecommunications.
- (3) A capital expenditure for one of the purposes listed under sub. (2) may include incidental removal and restoration of building components, such as walls, ceilings and floors, necessary for achieving the purpose.

- (4) A capital expenditure is not exempt from review under sub. (2) if any of the following apply:
- (a) The capital expenditure would exceed 20 percent of the hospital's gross annual patient revenue for its last fiscal year;
- (b) The capital expenditure is for a related component of the project where the total capital expenditure for the project exceeds the applicable threshold;
- (c) The capital expenditure is divided into non-reviewable parts in violation of sub. (6), and the total undivided capital expenditure requires review under par. (a) or (b); or
- (d) The capital expenditure is for clinical medical equipment, regardless of whether that equipment is used in whole or in part in connection with nonsurgical outpatient services.

SECTION 14. HSS 123.08(2) is amended to read:

HSS 123.08(2) NONACCEPTABILITY OF APPLICATIONS. The department may not accept any application under this chapter for:

(a) For the addition of hospital beds that would exceed the total number of beds authorized by the state medical facilities plan for the service area where the project would be located;

- (b) For a capital expenditure, by or on behalf of a hospital, to establish a new hospital or to totally relocate a hopital. This paragraph does not prohibit accepting an application to totally relocate a hospital as a result of either of the following:
- 1. The consolidation or merger of 2 or more corporations, each of which owns a currently approved and operating hospital; or
- 2. The consolidation of hospital services between 2 or more currently approved and operating hospitals, at least one of which is owned by a governmental unit; or
- (c) To obligate for a capital expenditure to acquire specific equipment or procedures described in s. 150.63, Stats., and s. HSS 123.05(3).

SECTION 15. HSS 123.11(2)(a) and (b) are repealed and recreated to read:

HSS 123.11(2)(a) If a capital expenditure or the operating revenue for a project implemented before July 1, 1986, is greater than the applicable dollar threshold but less than 110 percent of that threshold, the forfeiture assessed shall equal 10 percent of the amount exceeding the applicable dollar threshold.

(b) If a capital expenditure or the operating revenue for a project implemented before July 1, 1986, is equal to or greater than 110 percent of the applicable dollar threshold, the forfeiture assessed shall equal 15 percent of the amount exceeding the applicable dollar threshold.

SECTION 16. HSS 123.12(2)(a) is amended to read:

HSS 123.12(2) INVALIDITY. (a) The department may declare an approval invalid if:

- 1. At the end of the period of validity under sub. (1), the capital expenditure specified in the approval has not been obligated, permanent financing sufficient to complete the project has not been obtained, or substantial and continuing progress has not been made; or
- 2. The person granted the approval under this chapter substantially fails to comply with any term or condition set forth in the approval.

SECTION 17. HSS 123.13(1)(b) is amended to read:

HSS 123.13(1)(b) For hospitals a hospital identified in the SMFP as having a low medical/surgical or pediatric occupancy rate, a low volume of obstetric deliveries or is as operating less efficiently than other hospitals pursuant to s. HSS 123.27(6) and (7), the department shall not approve an application unless an improvement plan is submitted with the application and the occupancy improvement plan is found acceptable by the department. This paragraph does not apply to applications by or on behalf of a hospital proposing to operate a home health agency or applications submitted by or on behalf of 2 or more hospitals participating in a joint venture.

SECTION 18. HSS 123.15 (title) is repealed and recreated to read:

HSS 123.15 CARDIAC PROGRAM CRITERIA.

SECTION 19. HSS 123.16(3)(b)(intro.) is amended to read:

HSS 123.16(3)(b) Calculation of projected bed need. Determination

Except as provided in par. (d), determination of need for the total of neonatal intensive and intermediate care beds in a health planning area shall be calculated in the following manner:

SECTION 20. HSS 123.16(3)(cm) is created to read:

HSS 123.16(3)(cm) Bed need calculations in high occupancy planning areas. 1. In any health planning area in which the average neonatal occupancy rate is in excess of 95%, the department may approve additional beds in a number sufficient to reduce the average neonatal occupancy rate to 75% in the health planning area if both of the following conditions are met:

- a. The neonatal unit at the facility proposing the increase is operating at an occupancy rate of at least 90% for the 12 months preceding the receipt of an application; and
- b. The project would result in either a conversion of hospital beds to neonatal intensive care unit beds at the facility proposing the project, or a reduction in hospital approved bed capacity which is equivalent to the increase in neonatal intensive care unit bed capacity at the facility proposing the project.

- 2. a. The allowable neonatal bed capacity in a health planning area which is operating at over 95% occupancy is calculated by dividing the most recently available annual neonatal patient days in perinatal care centers in the health planning area by the number of days in the year and then dividing that result by 0.75. The allowable neonatal bed capacity is then subtracted from the approved neonatal bed capacity in neonatal centers in the planning area to obtain the number of additional beds that may be approved by the department.
- b. The data source for the most recently available total annual neonatal patient days shall be from the annual survey of hospitals or the HSA, whichever has the most current data.

SECTION 21. HSS 123.24(2)(a) is amended to read:

HSS 123.24(2)(a) "Health service area" means a health planning area identified in Appendix A, except that health planning areas 3 and 4 constitute one health service area and health planning areas 6 and 7 constitute one health service area for purposes of this section.

SECTION 22. HSS 123.29(5) is amended to read:

HSS 123.29(5) COMPLETION REQUIREMENTS. (a) No application for project approval from a hospital, except for an application for the purchase or other acquisition of another hospital, is complete under s. HSS 123.08(4)(c) until the department receives the required 5-year capital budget report from the applicant.

(b) Beginning in calendar 1985 no application may be declared complete unless the project was listed in the hospital's annual capital budget report or an update was filed with the department at least one year preceding application. The department may waive this requirement for projects to remedy code deficiencies, damage due to natural disaster, an emergency situation that threatens patient safety or in order to facilitate batching of applications for concurrent review under s. HSS 123.08(10). Projects that involve only the replacement of equipment or projects submitted by or on behalf of 2 or more hospitals participating in a joint venture shall be exempt from this requirement.

SECTION 23. HSS 123.30(1) and (2)(b) are amended to read:

HSS 123.30 APPROVED BED CAPACITY (1) GENERAL REQUIREMENTS. Every hospital shall have a bed capacity approved by the department under sub.(2). The department shall maintain and periodically update for each hospital a file of two 4 categories of approved beds, namely, the number of hospital psychiatric beds, and the number of chemical dependency beds, the number of neonatal intensive and intermediate care beds and the number of all other hospital beds.

- (2)(b) In the absence of an agreement, approved bed capacity shall be either of the following, at the discretion of the department:
- 1. The number of hospital psychiatric beds, and chemical dependency beds, neonatal intensive and intermediate care beds, and all other hospital beds stated in the most recent approval granted by the

department under this chapter or its predecessor granted-by-the
department; or

2. A count by the department of hospital psychiatric beds, and chemical dependency beds, nephatal intensive and intermediate care beds, and all other hospital beds by-the-department.

The repeals and rules contained in this order shall take effect on the first day of the month following their publication in the Wisconsin Administrative Register as provided in s. 227.22(2), Stats.

Notwithstanding the provisions of s. HSS 123.02(1), Wis. Adm. Code, the treatment of ch. HSS 123, Wis. Adm. Code, by this order applies to applications under review or in the hearing process on the effective date of this order.

Wisconsin Department of Health and Social Services

Date: December 12, 1986

Linda Reivitz, Secretary

SEAL:



State of Wisconsin \ DEPARTMENT OF HEALTH AND SOCIAL SERVICES

1 West Wilson Street, Madison, Wisconsin 53702

Anthony S. Earl Governor

Linda Reivitz Secretary

Mailing Address: Post Office Box 7850 Madison, WI 53707

December 12, 1986

RECEIVED

Mr. Orlan Prestegard Revisor of Statutes 9th Floor - 30 on the Square Madison, Wisconsin 54702

DEC 12 1986

Revisor of Statutes Bureau

Dear Mr. Prestegard:

As provided in s. 227.20, Stats., there is hereby submitted a certified copy of HSS 122 and 123, administrative rules relating to long-term care bed additions and capital expenditure review for long-term care facilities, hospitals, other acute care facilities and home health agencies.

These rules are also being submitted to the Secretary of State as required by s. 227.20, Stats.

Sincerely,

Linda Reivi **SECRETARY**

Enclosure