

State of Misconsin 2003 - 2004 LEGISLATURE

LRBa2206/1 DAK:kmg:jf

## ASSEMBLY AMENDMENT 2, TO 2003 ASSEMBLY BILL 842

March 10, 2004 - Offered by Representative KRUSICK.

1	At the locations indicated, amend the bill as follows:
2	${f 1.}$ Page 4, line 20: delete the material beginning with that line and ending with
3	page 5, line 7, and substitute:
4	"SECTION 5g. 50.03 (5) (a) of the statutes is repealed and recreated to read:
5	50.03 (5) (a) <i>Power of department</i> . 1. The department, after notice to a nursing
6	home applicant or licensee, may suspend or revoke a license in any case in which the
7	department finds that the nursing home or licensee has substantially failed to
8	comply with the applicable requirements of this subchapter and the rules
9	promulgated under this subchapter, with s. 49.498, or with federal requirements
10	related to the operation of a nursing home, or that any of the following applies to the
11	licensee or to any administrator, employee, or other person affiliated with the
12	nursing home or licensee:

2003 – 2004 Legislature

a. A pending criminal charge that substantially relates to the care of adults or
minors, the funds or property of adults or minors, or activities of the nursing home
or licensee.
b. Conviction of a felony, misdemeanor, or other offense that substantially
relates to the care of adults or minors, the funds or property of adults or minors, or
activities of the nursing home or licensee.

c. A record of substantially and repeatedly violating applicable federal laws or
regulations or applicable statutes or rules of this or any other state in the operation
of an entity, as defined in s. 48.685 (1) (b) or 50.065 (1) (c), as applicable, or in any
other health-related activity.

2. No state or federal funds passing through the state treasury may be paid toa nursing home that does not have a valid license issued under this section.

13 **SECTION 5h.** 50.03 (5) (b) of the statutes is amended to read:

14 50.03 (5) (b) Form of notice. Notice under this subsection shall include a clear
15 and concise statement of the <u>findings</u>, <u>determination</u>, <u>or</u> violations on which the
16 revocation is based, the statute or rule violated and notice of the opportunity for an
17 evidentiary hearing under par. (c).

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**SECTION 5m.** 50.04 (3) (am) of the statutes is created to read:

19 50.04 (3) (am) Power of department. 1. In determining under par. (a) if
20 conditions and practices of a nursing home comply with applicable standards, the
21 department shall consider whether any of the following applies to the licensee or to
22 any administrator, employee, or other person affiliated with the licensee:

a. A pending criminal charge that substantially relates to the care of adults or
minors, the funds or property of adults or minors, or activities of the nursing home.

- 2 -

2003 – 2004 Legislature

b. Conviction of a felony, misdemeanor, or other offense that substantially
relates to the care of adults or minors, the funds or property of adults or minors, or
activities of the nursing home.

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c. A record of violating applicable federal laws or regulations or applicable
statutes or rules of this or any other state in the operation of an entity, as defined in
s. 48.685 (1) (b) or 50.065 (1) (c), as applicable, or in any other health-related activity.
d. Substantial failure to comply with an applicable provision of this subchapter

8 or an applicable rule promulgated under this subchapter.
9 2. To ensure the protection of the health, safety, or welfare of residents, the

department may request that the nursing home demonstrate that it has sufficient resources to permit continued operation of the nursing home for at least 6 months, including that no more than 20 percent of ready reserves of the nursing home are accounted for by letters of credit. If the sufficiency of a nursing home's resources depends on contributions to be made by the nursing home's parent corporation to eliminate a shortfall, the department may examine the corporate balance sheet and secure assurances from the corporation that the contributions will be made.".

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(END)