



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1787/P3
KMS:amn&wlj

DOA:.....Bollhorst, BB0448 - Hospital Assessment

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

GENERAL HEALTH AND HUMAN SERVICES

Hospital assessment

Under current law, certain hospitals must pay an annual assessment that is equal to a percentage of the hospital's gross patient revenues. Currently, DHS must set the percentage so that the total amount of assessments collected in a fiscal year is \$414,507,300. This bill increases this amount to \$1,341,839,500. Under current law, institutions for mental disease, certain general psychiatric hospitals, and critical access hospitals are not required to pay the assessment. The bill also exempts rehabilitation hospitals and long-term acute care hospitals from paying the assessment. Currently, DHS must use a portion of the assessments collected to pay for services provided under the Medical Assistance program by the hospitals from which the assessments are collected. Under current law, the payments must equal the amount collected divided by 61.68 percent. The bill increases that percentage to 62.39.

Under current law, a critical access hospital must also pay an annual assessment that is equal to a percentage of the critical access hospital's gross inpatient revenues. Currently, DHS must use a portion of the assessments collected to pay for services provided by critical access hospitals under the Medical Assistance program. Under current law, the payments must equal the amount collected divided by 61.68 percent. Under the bill, the payments must equal \$49,392,400, and moneys from a biennial GPR appropriation for Medical Assistance program benefits may also be used as needed to fund the nonfederal share of payments for the services.

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:

SECTION 1. 49.45 (3) (e) 11. of the statutes is amended to read:

BILL**SECTION 1**

49.45 (3) (e) 11. The department shall use a portion of the moneys collected under s. 50.38 (2) (a) to pay for services provided by eligible hospitals, as defined in s. 50.38 (1), other than critical access hospitals, under the Medical Assistance Program under this subchapter, including services reimbursed on a fee-for-service basis and services provided under a managed care system. ~~For state fiscal year 2008-09, total payments required under this subdivision, including both the federal and state share of Medical Assistance, shall equal the amount collected under s. 50.38 (2) (a) for fiscal year 2008-09 divided by 57.75 percent.~~ For each state fiscal year after state fiscal year 2008-09, total payments required under this subdivision, including both the federal and state share of Medical Assistance, shall equal the amount collected under s. 50.38 (2) (a) for the fiscal year divided by ~~61.68~~ 62.39 percent.

SECTION 2. 49.45 (3) (e) 12. of the statutes is amended to read:

49.45 (3) (e) 12. The department shall use a portion of the moneys collected under s. 50.38 (2) (b) to pay for services provided by critical access hospitals under the Medical Assistance Program under this subchapter, including services reimbursed on a fee-for-service basis and services provided under a managed care system. For each state fiscal year, total payments required under this subdivision, including both the federal and state share of Medical Assistance, shall equal ~~the amount collected under s. 50.38 (2) (b) for the fiscal year divided by 61.68 percent~~ \$49,392,400. The department may use funds in the appropriation under s. 20.435 (4) (b), as necessary, to fund the nonfederal share of payments under this subdivision.

SECTION 3. 50.38 (1) (d) and (e) of the statutes are created to read:

BILL**SECTION 3**

50.38 (1) (d) A rehabilitation hospital, as designated by the department.

(e) A long-term acute care hospital, as designated by the department.

SECTION 4. 50.38 (3) of the statutes is amended to read:

50.38 (3) The department shall establish the percentage that is applicable under sub. (2) (a) and (b) so that the total amount of assessments collected under sub. (2) (a) in a state fiscal year is equal to ~~\$414,507,300~~ \$1,341,839,500.

(END)