



2019 ASSEMBLY BILL 639

December 2, 2019 - Introduced by Representatives STAFSHOLT, MAGNAFICI, QUINN, ZIMMERMAN and PETRYK. Referred to Committee on Mental Health.

1 **AN ACT** *to create* 51.428 of the statutes; **relating to:** pilot program for
2 reimbursement of certain costs relating to hospitalization for purposes of
3 emergency detention.

Analysis by the Legislative Reference Bureau

This bill requires the Department of Health Services to provide, as a pilot project, to hospitals located in Barron, Burnett, Dunn, Pierce, Polk, St. Croix, and Washburn Counties reimbursement for housing patients for purposes of emergency detention in an amount determined by DHS up to 80 percent of the difference between the hospital's average cost per bed per day and the average rate received per bed per day calculated by averaging the rate received under Medicare, Medical Assistance, and other insurance. County health departments must cover the remaining portion of each hospital's reimbursement. In order to qualify for the pilot program reimbursement, each participating hospital must report to the county health department its average cost per bed per day and the average rate per bed per day. Each county health department receiving that information from hospitals shall collect the information and then submit it to DHS. The bill also provides that hospitals are not required to participate in the pilot program; a hospital located in any of the participating counties may opt out of the program and will not be required, for purposes of the pilot program, to provide the cost or rate information to the county health department. Under the bill, only hospital services provided on or after July 1, 2021, are eligible for reimbursement through the pilot program.

ASSEMBLY BILL 639

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.** 51.428 of the statutes is created to read:

2 **51.428 Hospital reimbursement pilot program.** (1) In this section,
3 “average insurance rate” means the average rate paid by any insurance company in
4 the previous year.

5 (2) (a) Except as provided under par. (c), the department shall, as a pilot project,
6 provide hospitals located in Barron, Burnett, Dunn, Pierce, Polk, St. Croix, and
7 Washburn Counties reimbursement for housing patients for purposes of emergency
8 detention under s. 51.15 in an amount determined by the department up to 80
9 percent of the difference between the average cost per bed per day and the average
10 rate received by the hospital per bed per day, as calculated by averaging the rate
11 received under the Medicare program under 42 USC 1395 et. seq. and the Medical
12 Assistance program under subch. IV of ch. 49 with the average insurance rate per
13 bed per day. The appropriate county health department shall pay the remaining
14 reimbursement percentage to participating hospitals.

15 (b) In order to qualify for the pilot program reimbursement under this section,
16 each participating hospital located in any of the counties described in par. (a) shall
17 report to the county health department its average cost per bed per day and the
18 average rate per bed per day, calculated as described in par. (a). Each county health
19 department receiving information from hospitals under this paragraph shall collect
20 the information and submit it to the department.

ASSEMBLY BILL 639

1 (c) A hospital located in any of the counties described in par. (a) may opt out of
2 participation in the pilot program under this section. If a hospital chooses not to
3 participate in the program, it is not required to report the information required
4 under par. (b).

5 (d) The department may provide reimbursement under par. (a) beginning July
6 1, 2021, and only hospital services provided on or after July 1, 2021, are eligible for
7 reimbursement under par. (a).

8 **SECTION 2. Nonstatutory provisions.**

9 (1) BUDGET REQUEST FOR EMERGENCY DETENTION PILOT PROGRAM. The department
10 of health services shall evaluate the funding necessary to provide reimbursements
11 through the pilot program under s. 51.428 and include in its 2021-23 biennial budget
12 request a proposal for funding to support the pilot program under s. 51.428.

13

(END)