## Chapter HRSC 1

## GENERAL PROVISIONS

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HRSC 1.01 Definitions. In chs. HRSC 1 to 5 and to interpret provisions of ch. 54, Stats:

- (1) "Accounts receivable" means claims arising from rendering patient care services.
- (1m) "Ancillary services" means a hospital's clinical, diagnostic and treatment services, not room and board or nursing services.
- (2) "Bad debts" means claims arising from rendering patient care services that the hospital, using a sound credit and collection policy, determines are uncollectible. "Bad debts" does not include:
  - (a) Community care.
- (b) Government allowances. In this paragraph, "government allowances" means the difference between government program payments and normal billed charges.
- (c) Contractual discounts in the provision of health care services below normal billed charges.
- (2m) "Budget year" means the fiscal year of a hospital for which rates are being set during a rate review.
- (3) "Case mix" means a measure of the types of patients treated in a hospital during a specified period.
- (3m) "Charge element" means any service, supply or combination of services or supplies that a hospital provides for a price.
- (5) "Commission" means the Wisconsin hospital rate-setting commission.
- (5m) "Community care" has the meaning specified in s. HRSC 10.01 (2).
- (5p) "Financial requirement" has the meaning specified in s. 54.09, Stats.
- (6) "Fixed cost" means a hospital's expenses that do not generally vary in relation to the hospital's volume.
- (7) "General relief" means hospital care for which a municipality or county is liable under s. 49.02 or 49.03, Stats., or hospital care for which the state is liable under s. 49.035, 49.04 or 49.046, Stats.
  - (8) "Hospital" has the meaning provided in s. 50.33 (1), Stats.

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- (9) "Intensity" means the standard of care established by the clinical health professions for a given case mix and volume, measured as the number and kind of ancillary services provided and the level of nursing services provided.
  - (9g) "Rates" has the meaning specified in s. 54.01 (3), Stats.
  - (9r) "Rate increase" means either:
- (a) An increase in the price a hospital charges for any individual charge element.
- (b) The aggregate price increase necessary to generate sufficient revenue to meet a hospital's full reasonable financial requirements at hospital projected volume levels accepted by the commission when the rate order is issued and when charge element information is provided under s, HRSC 3.02 (2) (am).
- (10) "Variable cost" means a hospital's expenses that generally vary in relation to the hospital's volume.
  - (11) "Volume" includes the following:
- (a) The number of inpatient and outpatient admissions at a hospital during a specified period. The commission shall adjust the calculation of outpatient admission volume in recognition of the different level of services provided to outpatients, as compared to inpatients, to create a method of calculating total admissions.
- (b) The number of inpatient and outpatient days at a hospital during a specified period. The commission shall adjust the calculation of outpatient days in recognition of the different level of services provided to outpatients, as compared to inpatients, to create a method of calculating total days.
- (c) The number of procedures of any particular type performed by a hospital during a specified period.
  - (d) The number of times any charge element is billed.

History: Cr. Register, December, 1984, No. 348, eff. 2-1-85; am. (1) (intro.), Register, October, 1985, No. 358, eff. 11-1-85; am. (3) (m), cr. (5m), (9) (g) and (r), Register, May, 1986, No. 365, eff. 6-1-86; renum. (5m) to be (5p) under s. 13.93 (2m) (b)1, Stats., renum. (2) to be (2) (intro.) and am., cr. (2) (a) to (c) and (5m), r. (4), Register, September, 1986, No. 369, eff. 10-1-86.

HRSC 1.03 Naming agents. The commission may designate its agents and grant them authority to examine confidential materials, conduct investigations or hearings and perform other functions authorized by the commission. The commission shall issue to each agent an identification card.

History: Cr. Register, December, 1984, No. 348, eff. 2-1-85.

HRSC 1.05 Supervisor of hearings. The chairperson of the commission may assign to each agent the supervision of a particular investigation or, if the assignment is indicated on the commission's calendar, the conduct of a hearing.

History: Cr. Register, December, 1984, No. 348, eff. 2-1-85. Register, September, 1986, No. 369

HRSC 1.09 Communications and documents addressed to the commission. (1) Address. All written communications concerning the commission's activities shall be addressed to the commission.

Note: The present address of the commission is as follows: Wisconsin Hospital Rate-Setting Commission Room 215 110 E. Main St. Madison, WI 53702