



1995 ASSEMBLY BILL 499

August 7, 1995 - Introduced by Representatives MEYER, RYBA, HAHN, SERATTI, ZIEGELBAUER, PLOMBON, HUEBSCH, HARSDORF and KAUFERT, cosponsored by Senators RUDE and DARLING. Referred to Committee on Health.

1 **AN ACT** *to amend* 50.49 (6) (a); *to repeal and recreate* 50.49 (6) (title); and *to*
2 *create* 50.49 (1) (bm) and 50.49 (6) (am) of the statutes; **relating to:** licensure
3 of home health agencies that are deemed by the federal health care financing
4 administration to meet certain standards because they have been accredited by
5 certain recognized entities.

Analysis by the Legislative Reference Bureau

Under current law, the department of health and social services (DHSS) must issue a license for a home health agency if the application is complete, if the license fee is paid and if DHSS finds the applicant to be fit and qualified and in compliance with current law regulating home health agencies. DHSS or its designated representative must inspect or investigate home health agencies as necessary to determine conditions in the home health agencies.

Under current federal law, the federal health care financing administration recognizes accreditation of home health agencies by the joint commission on accreditation of healthcare organizations to the extent that home health agencies that wish to participate as providers in the federal medicare or medicaid programs and that have been accredited by the joint commission are deemed by the health care financing administration to meet the medicare (and, consequently, medicaid) standards for participation.

This bill beginning January 1, 1996, requires DHSS to license a home health agency that presents to DHSS a completed application, payment of the license fee and proof of receipt of accreditation from any entity that is currently recognized by the federal health care financing administration as providing accreditation that is deemed to meet standards for participation under medicare, for the next full licensure period immediately following the date of issuance of the accreditation. The bill excepts such a home health agency from licensure requirements of inspection or

investigation for the period of the licensure that is granted following accreditation of the home health agency by the entity, although the home health agency continues to be subject to the authority of DHSS to inspect, investigate and otherwise regulate home health agencies. The home health agency must submit to DHSS all documents related to receipt of the accreditation.

For further information see the *state and local* 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.** 50.49 (1) (bm) of the statutes is created to read:

2 50.49 (1) (bm) "Medicare" means the program under 42 USC 1395 to 1395ccc.

3 **SECTION 2.** 50.49 (6) (title) of the statutes is repealed and recreated to read:

4 50.49 (6) (title) LICENSURE REQUIREMENTS AND LIMITATIONS.

5 **SECTION 3.** 50.49 (6) (a) of the statutes is amended to read:

6 50.49 (6) (a) The Except as provided in par. (am), the department shall issue
7 a license if the applicant is fit and qualified, and if the home health agencies meet
8 the requirements established by this section. The department, or its designated
9 representatives, shall make such inspections and investigations as are necessary to
10 determine the conditions existing in each case and file written reports.

11 **SECTION 4.** 50.49 (6) (am) of the statutes is created to read:

12 50.49 (6) (am) If a home health agency presents to the department proof of
13 receipt of accreditation from any entity that is currently recognized by the federal
14 health care financing administration as providing accreditation that is deemed to
15 meet standards for participation under medicare and if the home health agency
16 meets the requirements of pars. (b) and (c), all of the following apply:

17 1. The home health agency is eligible for licensure or for renewal of licensure
18 and the department shall issue a license for the next full licensure period

1 immediately following the date of issuance of accreditation for the home health
2 agency.

3 2. The home health agency is excepted from the licensure requirements under
4 par. (a) for the licensure period specified in subd. 1. but remains subject to the
5 department's authority to make inspections and investigations and otherwise
6 regulate under this section.

7 3. The home health agency shall, within 10 days after receiving accreditation,
8 submit to the department copies of all materials, including, if available, inspection
9 reports of the accrediting entity, that are related to the home health agency's receipt
10 of accreditation.

11 **SECTION 5. Effective date.**

12 (1) This act takes effect on January 1, 1996, or on the day after publication,
13 whichever is later.

14 (END)