



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-1647/P4

SWB:klm

DOA:.....Lessner, BB0380 - Healthcare Entity Oversight & Transparency

FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

HEALTH

Health care entity oversight and transparency

This bill creates various requirements and procedures related to health care entity oversight and transparency.

The bill establishes procedures for review of proposed material change transactions involving health care entities. The bill requires DHS to promulgate rules to define, for purposes of the provisions in the bill, what entities are considered to be health care entities and what constitutes a material change transaction. The bill requires, among other things, that before consummating any material change transaction, a health care entity must submit written notice to DHS. Under the bill, DHS must post information about the proposed transaction on its website no less than 30 days before the anticipated implementation of the material change transaction or, if the department is notified less than 30 days before the anticipated implementation, as soon as is practicable. The bill includes procedures for DHS to review and approve, conditionally approve, or disapprove a proposed transaction. The bill provides for post-transaction oversight, including possible enforcement by the attorney general and DHS, as well as monitoring of compliance and required reporting. The bill also prohibits the corporate practice of medicine and requires DHS to promulgate rules to define what conduct constitutes the corporate practice of medicine within the scope of the prohibition.

Finally, the bill adds transparency requirements relating to ownership and control of health care entities. Under the bill, with certain exceptions, each health care entity must report certain information relating to ownership and control to DHS annually and upon the consummation of a material change transaction involving the entity, including the legal name of the entity, its business address, and locations of operations, as well as a current organizational chart showing the business structure of the health care entity and the name and contact information of a representative of the entity. Beginning in 2028, the bill requires DHS to post on its publicly available website an annual report based on the health care entity reporting from the previous year. The bill includes enforcement mechanisms, including granting DHS authority to audit and inspect the records of any health

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care entity that has failed to submit complete reporting information or if the DHS has reason to question the accuracy or completeness of the information submitted. The bill requires DHS to conduct annual audits of a random sample of health care entities to verify compliance with and accuracy and completeness of required reporting. The bill includes penalties for failure to submit a required report and for submitting a report containing false information. Health care entities consisting of independent health care providers or provider organizations without any third-party ownership or control entities, with 10 or fewer physicians or less than \$10 million in annual revenue, are subject to forfeiture of up to \$50,000 for each report not provided or containing false information, and all other health care entities are subject to a forfeiture of up to \$500,000 for each report not provided or containing false information.

The bill also includes authority for DHS to promulgate rules to implement the provisions of the bill.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

Because this bill creates a new crime or revises a penalty for an existing crime, the Joint Review Committee on Criminal Penalties may be requested to prepare a report.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Subchapter IX of chapter 150 [precedes 150.99] of the statutes is created to read:

CHAPTER 150

SUBCHAPTER IX

HEALTH CARE ENTITY OVERSIGHT AND TRANSPARENCY

SECTION 2. 150.99 of the statutes is created to read:

150.99 Definitions. In this subchapter:

(1) “Acquisition” means the direct or indirect purchase, including lease, transfer, exchange, option, receipt of a conveyance, or creation of a joint venture, or any other manner of purchase, such as by a health care system, private equity group, hedge fund, publicly traded company, real estate investment trust,

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management services organization, insurance carrier, or any subsidiaries thereof, of a material amount of the assets or operations of a health care entity.

(2) “Affiliate” means any of the following:

(a) A person, entity, or organization that directly, indirectly, or through one or more intermediaries controls, is controlled by, or is under common control or ownership of another person, entity, or organization.

(b) A person whose business is operated under a lease, management, or operating agreement by another entity, or a person substantially all of whose property is operated under a management or operating agreement with that other entity.

(c) An entity that operates the business or substantially all the property of another entity under a lease, management, or operating agreement.

(d) Any out-of-state operations and corporate affiliates of an affiliate as defined in pars. (a) to (c), including significant equity investors, health care real estate investment trusts, or management services organizations.

(3) “Arrangement” includes any agreement, association, partnership, joint venture, management services agreement, professional services agreement, health care staffing company agreement, or other arrangement that results in a change of governance or control of a health care entity or a department, subdivision, or subsidiary of a health care entity.

(4) “Change of control” means an arrangement in which any person, corporation, partnership, or any entity acquires direct or indirect control over the operations of a health care entity in whole or in substantial part.

(5) “Control,” “controlling,” “controlled by,” and “under common control

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with” means the direct or indirect power through ownership, contractual agreement, or otherwise to do any of the following:

(a) Vote 10 percent or more of any class of voting shares or interests of a health care entity.

(b) Direct the actions or policies of the specified entity.

(6) “Health care facility” means an institution that provides health care services or a health care setting, including hospitals and other inpatient facilities, health systems consisting of one or more health care entities that are jointly owned or managed, ambulatory surgical or treatment centers, skilled nursing facilities, residential treatment centers, diagnostic, laboratory, and imaging centers, freestanding emergency facilities, outpatient clinics, and rehabilitation and other therapeutic health settings.

(7) “Health care provider” means any person, corporation, partnership, governmental unit, state institution, medical practice, or other entity that performs or provides health care services to persons in the state.

(8) “Health care services” means services and payments for the care, prevention, diagnosis, treatment, cure, or relief of a medical, dental, or behavioral health condition, illness, injury, or disease, including any of the following:

(a) Inpatient, outpatient, habilitative, rehabilitative, dental, palliative, therapeutic, supportive, home health, or behavioral services provided by a health care entity.

(b) Pharmacy, retail, and specialty, including any drug, device, or medical supply.

(c) Performance of functions to refer, arrange, or coordinate care.

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(d) Equipment used such as durable medical equipment, diagnostic, surgical devices, or infusion.

(e) Technology associated with the provision of services or equipment in pars. (a) to (d) above, such as telehealth, electronic health records, software, claims processing, or utilization systems.

(9) “Health care staffing company” means a person, firm, corporation, partnership, or other business entity engaged in the business of providing or procuring, for temporary employment or contracting by a health care facility, any health care personnel, but does not include an individual who independently provides the individual’s own services on a temporary basis to health care facilities as an employee or contractor.

(10) “Licensee” means an individual who is licensed in the state as a physician, a doctor of osteopathy, or a physician assistant or a nurse practitioner who is authorized to diagnose and treat in the applicable clinical setting.

(11) “Management services organization” means any organization or entity that contracts with a health care provider or provider organization to perform management or administrative services relating to, supporting, or facilitating the provision of health care services.

(12) “Medical practice” means a corporate entity or partnership organized for the purpose of practicing medicine and permitted to practice medicine in the state, including partnerships, professional corporations, limited liability companies, and limited liability partnerships.

(13) “Noncompetition agreement” means a written agreement between a licensee and another person under which the licensee agrees that the licensee,

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either alone or as an employee, associate, or affiliate of a third person, will not compete with the other person in providing products, processes, or services that are similar to the other person's products, processes, or services for a period of time or within a specified geographic area after termination of employment or termination of a contract under which the licensee supplied goods to or performed services for the other person.

(14) "Nondisclosure agreement" means a written agreement under the terms of which a licensee must refrain from disclosing partially, fully, directly, or indirectly to any person, other than another party to the written agreement or to a person specified in the agreement as a 3rd-party beneficiary of the agreement, any of the following:

(a) A policy or practice that a party to the agreement required the licensee to use in patient care, other than individually identifiable health information that the licensee may not disclose under the Health Insurance Portability and Accountability Act of 1996, P.L. [104-191](#), in effect on the effective date of this paragraph [LRB inserts date].

(b) A policy, practice, or other information about or associated with the licensee's employment, conditions of employment, or rate or amount of pay or other compensation.

(c) Any other information the licensee possesses or to which the licensee has access by reason of the licensee's employment by, or provision of services for or on behalf of, a party to the agreement, other than information that is subject to protection under applicable law as a trade secret of, or as otherwise proprietary to,

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another party to the agreement or to a person specified in the agreement as a third-party beneficiary of the agreement.

(15) “Nondisparagement agreement” means a written agreement under which a licensee must refrain from making to a 3rd party a statement about another party to the agreement or about another person specified in the agreement as a 3rd-party beneficiary of the agreement, the effect of which causes or threatens to cause harm to the other party’s or person’s reputation, business relations, or other economic interests.

(16) “Ownership or investment interest” means any of the following:

(a) Direct or indirect possession of equity in the capital, stock, or profits totaling more than 5 percent of an entity.

(b) Interest held by an investor or group of investors who engages in the raising or returning of capital and who invests, develops, or disposes of specified assets.

(c) Interest held by a pool of funds by investors, including a pool of funds managed or controlled by private limited partnerships, if those investors or the management of that pool or private limited partnership employ investment strategies of any kind to earn a return on that pool of funds.

(17) “Private equity fund” means a publicly traded or nonpublicly traded company that collects capital investments from individuals or entities and purchases a direct or indirect ownership share or controlling interest of a health care entity.

(18) “Provider organization” means any corporation, partnership, business trust, association, or organized group of persons that is in the business of health

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care delivery or management, whether incorporated or not, that represents one or more health care providers in contracting with insurance carriers for the payments of health care services. “Provider organization” includes physician organizations, physician-hospital organizations, independent practice associations, provider networks, accountable care organizations, management services organizations, and any other organization that contracts with insurance carriers for payment for health care services.

(19) “Significant equity investor” means any of the following:

(a) Any private equity fund with a direct or indirect ownership or investment interest in a health care entity.

(b) Any investor, group of investors, or other entity with a direct or indirect possession of equity in the capital, stock, or profits totaling more than 10 percent of a health care provider or provider organization.

(c) Any private equity fund, investor, group of investors, or other entity with a direct or indirect controlling interest in a health care entity or that operates the business or substantially all of the property of a health care entity under a lease, management, or operating agreement.

SECTION 3. 150.992 of the statutes is created to read:

150.992 Material change transactions. (1) NOTICE. (a) Any health care entity shall, before consummating any material change transaction, submit written notice to the department not fewer than 180 days before the date of the proposed material change transaction. The department shall promulgate rules to define, for purposes of this subchapter, what entities are considered health care entities and what constitutes a material change transaction.

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(b) Written notice shall include and contain the information the department determines is required. The health care entity may include any additional information supporting the written notice of the material change transaction. Notice is complete when the department determines that all required information has been received.

(c) All information provided by the submitter as part of the notice shall be treated as public record unless the submitter designates documents or information as confidential when submitting the notice and the department concurs with the designation in accordance with a process specified by the department by rule. Information that is otherwise publicly available, or that has not been confidentially maintained by the source, shall be considered public. The department shall maintain the confidentiality of all confidential information obtained in relation to a material change transaction, except that the department may share confidential information with other appropriate state agencies and departments to carry out their respective authorities under this section and may disclose any information to an expert or consultant under contract with the department, provided that the expert or consultant is bound by the same confidentiality requirements as the department. The confidential information and documents may not be treated as public records and are not subject to inspection or copying under s. 19.35.

(d) The department shall post on its publicly available website information about the material change transaction no less than 30 days before the anticipated implementation of the material change transaction or, if the department is notified less than 30 days before the anticipated implementation, as soon as is practicable. The department shall include in the information posted on its website under this

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paragraph at least all of the following information regarding the material change transaction:

1. A summary of the proposed transaction, including the identity of the parties to the transaction.

2. A description of the groups or individuals likely to be affected by the transaction.

3. Information about services currently provided by the health care entity, commitments by the health care entity to continue such services, and any services that will be reduced or eliminated.

4. Details about any public hearings and how to submit comments.

5. Any other information from the notice and other materials submitted by the health care entity that the attorney general or the department determines would be in the public interest, except for materials designated confidential under par. (c).

(e) For purposes of calculating time periods under this section, notice shall be considered received on the first business day after the department determines that notice is complete.

(2) PRELIMINARY REVIEW. (a) Within 30 days after receiving notice as described in sub. (1), the department shall do one of the following:

1. Approve the material change transaction and notify the health care entity in writing that a comprehensive review is not required for the material change transaction.

2. Approve the material change transaction subject to conditions set by the department and notify the health care entity in writing of the conditions under which the transaction may be completed.

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3. Notify the health care entity in writing that the transaction is subject to a comprehensive review. The department may request additional information necessary to perform a comprehensive review under sub. (3).

(b) Nothing in this section limits or infringes upon the existing authority of any state agency or the attorney general to review any transactions.

(3) COMPREHENSIVE REVIEW PROCESS. (a) For purposes of this subsection, “market power” means possessing 30 percent or more market share in any line of service in the relevant geographic area or meeting other criteria that the department may define by rule.

(b) A comprehensive review is required when any of the following apply to the material change transaction:

1. The transaction will result in the transfer of assets valued above \$20 million.

2. The transaction occurs in a highly consolidated market for any line of services offered by any party to the material change transaction.

3. The transaction will cause a significant change in market share such that any resulting health care entity possesses market power upon completion.

4. The transaction will otherwise reduce competition, including effects of vertical or cross-market transactions among different product or geographic markets.

5. Either party to the material change transaction possesses market power prior to the transaction.

6. The department, at its sole discretion, determines that the material change

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transaction is likely to have a material impact on the cost of, quality of, equity of, or access to health care services in any region in the state.

(c) No later than 90 days after determining a material change transaction is subject to a comprehensive review, the department shall conduct the review and shall conduct one or more public hearings or public meetings, one of which shall be in the county in which the health care entity is located, to hear comments from interested parties.

(d) Not more than 90 days after determining that the material change transaction is subject to a comprehensive review under this subsection, the department shall produce a cost and market impact review report containing the findings and conclusions of the cost and market impact review, provided that the health care entity has complied with the requests for information or documents pursuant to this subsection within 21 days of the request or by a later date set by mutual agreement of the health care entity and the department. The cost and market impact review report shall be posted publicly and may not disclose confidential information.

(e) The cost and market impact review may examine factors relating to the proposed material change transaction, transacting parties, and their relative market position, including any of the following:

1. The market share of each transacting party and the likely effects of the material change transaction on competition.

2. Any previous material change transaction involving any transacting party, including acquisitions or mergers of similar health care providers, whether or not in the same state.

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3. The prices charged by each transacting party for services, including their relative prices compared to others' prices for the same services in the same geographic area.

4. The quality of the services provided by any health care provider party to the material change transaction, including patient experience.

5. The cost and cost trends of any health care entity party in comparison to total health care expenditures statewide.

6. The availability and accessibility of services similar to those provided, or proposed to be provided, through any health care provider or provider organization party within its primary service areas and dispersed service areas.

7. The impact of the material change transaction on competing options for the delivery of health care services within the primary service areas and dispersed service areas of the transacting parties.

8. The role of the transacting parties in serving at-risk, underserved, and government-payer patient populations.

9. The role of the transacting parties in providing low-margin or negative-margin services within its primary service areas and dispersed service areas.

10. Consumer concerns, including complaints or other allegations that any provider or provider organization party has engaged in any unfair method of competition or any unfair or deceptive act or practice.

11. The parties' compliance with prior conditions and legal requirements related to competitive conduct, including compliance with s. 150.994, reporting requirements regarding health care entity ownership and control under s. 150.996, or restrictions on anticompetitive contracting provisions.

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12. The impact of the material change transaction on the clinical workforce, including wages, staffing levels, supply, patient access, and continuity of patient-care relationships.

13. The impact of a real estate sale or lease agreement on the financial condition of any health care entity party and its ability to maintain patient care operations.

14. In the case of a proposed closure or discontinuance of a health care facility or any essential health services, the impact of the closure on health care access, outcomes, costs, and equity for those in the health care facility's service area and the health care facility's plan for ensuring equitable access, quality, affordability, and availability of essential health services within the service area.

15. Any other factors that the department determines, by rules promulgated by the department, to be in the public interest.

(f) The department may request additional information or documents from the transacting parties necessary to conduct a cost and market impact review. Failure to respond or insufficient responses to requests for information by transacting parties may result in the extension of the deadline for the department to complete the cost and market impact review, the imposition of conditions for approval, or the disapproval of the material change transaction.

(g) The department shall keep confidential all nonpublic information and documents obtained under this subsection and may not disclose the confidential information or documents to any person without the consent of the party that produced the confidential information or documents, except that the department may disclose any information to an expert or consultant under contract with the

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department to review the proposed transaction, provided that the expert or consultant is bound by the same confidentiality requirements as the department. The confidential information and documents and work product of the department may not be treated as public records and shall be exempt from inspection or copying under s. 19.35.

(h) The department may, in its sole discretion:

1. Contract with, consult, and receive advice from any state agency on those terms and conditions that the department determines are appropriate with regard to reviewing a proposed material change transaction.

2. Contract with experts or consultants to assist in reviewing a proposed material change transaction.

(i) The department shall be entitled to charge costs to or receive reimbursement from the transacting parties for all actual, reasonable, direct costs incurred in reviewing, evaluating, and making the determination referred to in this subsection, including administrative costs and costs of contracted experts or consultants in par. (h).

(4) APPROVAL AUTHORITY. (a) The department may at its discretion approve, conditionally approve, or disapprove of any material change transaction for which the department receives notice under sub. (1). Any conditions imposed under this subsection shall specify a time period for compliance, an expiration date, or that the condition applies indefinitely.

(b) The department shall inform the health care entity of the determination within 30 days of notice under sub. (2), or in the case of comprehensive review, within 60 days of the completion of the cost and market impact review. No proposed

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material change transaction may be completed before the department has informed the health care entity of the determination.

(c) In making the determination under this subsection, the department may consider any factors that the department determines to be relevant, including any of the following:

1. The likely impact, as described in the cost and market impact review report, where applicable, of the material change transaction on any of the following:

a. Health care costs, prices, and affordability.

b. The availability or accessibility of health care services to the affected community.

c. Health care provider cost trends and containment of total state health care spending.

d. Access to services in medically underserved areas.

e. Rectifying historical and contemporary factors contributing to a lack of health equities or access to services.

f. The functioning and competitiveness of the markets for health care and health insurance.

g. The potential effects of the material change transaction on health outcomes, quality, access, equity, or workforce for residents of this state.

h. The potential loss of or change in access to essential services.

2. Whether the material change transaction is contrary to or violates any applicable law, including state antitrust laws, laws restricting the corporate practice of medicine, or consumer protection laws.

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3. Whether the benefits of the transaction are likely to outweigh any anticompetitive effect from the transaction.

4. Whether the transaction is in the public interest.

(d) This subsection does not limit or alter any existing authority of the attorney general or any state agency to enforce any other law, including state or federal antitrust law, or to review nonprofit transactions.

(5) POST-TRANSACTION OVERSIGHT. (a) *Enforcement by the attorney general.*

1. The attorney general may subpoena any records necessary to enforce any provisions of this section or to investigate suspected violations of any provisions of this section or any conditions imposed by conditional approval pursuant to sub. (4).

2. The attorney general may enforce any requirement of this section and any conditions imposed by a conditional approval pursuant to sub. (4) to the fullest extent provided by law, including damages. In addition to any legal remedies the attorney general may have, the attorney general shall be entitled to specific performance, injunctive relief, and other equitable remedies a court deems appropriate for any violations or imminent violation of any requirement of this section or breach of any of the conditions and shall be entitled to recover its attorney fees and costs incurred in remedying each violation.

3. In addition to the remedies set forth in subd. 2., any person who violates this section or of any conditions imposed pursuant to a conditional approval under sub. (4) is subject to a forfeiture of \$10,000 per day, which the attorney general may seek to recover by action on behalf of the state. The attorney general may also rescind or deny approval for any other past, pending, or future material change transactions involving the health care entity or an affiliate.

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4. Nothing in this paragraph shall narrow, abrogate, or otherwise alter the authority of the attorney general to prosecute violations of antitrust or consumer protection requirements.

(b) *Enforcement by the department.* 1. The department may audit the books, documents, records, and data of any entity that is subject to a conditional approval under sub. (4) to monitor compliance with the conditions.

2. Any entity that violates any provision of this section, any rules adopted pursuant thereto, or any condition imposed pursuant to a conditional approval under sub. (4) shall be subject to a forfeiture of \$10,000 per day for any violation of this section.

3. The department may refer any entity to the attorney general to review for enforcement of any noncompliance with this section and any conditions imposed by conditional approval pursuant to sub. (4).

(c) *Monitoring.* In order to effectively monitor ongoing compliance with the terms and conditions of any material change transaction subject to prior notice, approval, or conditional approval under sub. (4), the department may, in its sole discretion, conduct a review or audit and may contract with experts and consultants to assist in this regard.

(d) *Reporting.* One year, 2 years, and 5 years following the completion of the material change transaction approved or conditionally approved by the department after a comprehensive review under sub. (3), and upon future intervals determined at the discretion of the department, the health care entity or any person, corporation, partnership, or other entity that acquired direct or indirect control over

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the health care entity shall submit reports to the department that do all of the following:

1. Demonstrate compliance with conditions placed on the material change transaction, if any.

2. Analyze cost trends and cost growth trends of the transacting parties.

3. Analyze any changes or effects of the material change transaction on patient access, availability of services, workforce, quality, or equity.

(e) *Costs.* The department shall be entitled to charge costs to the transacting parties for all actual, reasonable, and direct costs incurred in monitoring ongoing compliance with the terms and conditions of the sale or transfer of assets, including contractor and administrative costs.

(6) RULES. The department may promulgate rules to implement this section.

SECTION 4. 150.994 of the statutes is created to read:

150.994 Corporate practice of medicine. The corporate practice of medicine is prohibited. The department shall promulgate rules to define what conduct constitutes the corporate practice of medicine for purposes of this section.

SECTION 5. 150.996 of the statutes is created to read:

150.996 Transparency in ownership and control of health care entities. **(1) REPORTING OF OWNERSHIP AND CONTROL.** Each health care entity shall report to the department on an annual basis and upon the consummation of a material change transaction involving the entity as set forth in s. 150.992, in a form and manner required by the department, all of the following information, as applicable:

(a) Legal name of entity.

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(b) Business address of entity.

(c) Locations of operations.

(d) Business identification numbers of the entity, as applicable, including all of the following:

1. Taxpayer identification number.

2. National provider identifier.

3. Employer identification number.

4. Centers for Medicare and Medicaid Services certification number.

5. National Association of Insurance Commissioners identification number.

6. A personal identification number associated with a license issued by the commissioner of insurance.

7. Pharmacy benefit manager identification number associated with a license or registration of the pharmacy benefit manager in this state.

(e) Name and contact information of a representative of the entity.

(f) The name, business address, and business identification numbers listed in par. (d) for each person or entity that, with respect to the relevant health care entity, has an ownership or investment interest, has a controlling interest, is a management services organization, or is a significant equity investor.

(g) A current organizational chart showing the business structure of the health care entity, including all of the following:

1. Any entity listed in par. (f).

2. Affiliates, including entities that control or are under common control as the health care entity.

3. Subsidiaries.

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(h) For a health care entity that is a provider organization or a health care facility, all of the following information:

1. a. The affiliated health care providers identified by name, license type, specialty, national provider identifier, and other applicable identification number listed in par. (d).

b. The address of the principal practice location.

c. Whether the health care provider is employed or contracted by the entity.

2. The name and address of affiliated health care facilities by license number, license type, and capacity in each major service area.

(i) The names, national provider identifier, if applicable, and compensation of all of the following:

a. The members of the governing board, board of directors, or similar governance body for the health care entity.

b. Any entity that is owned or controlled by, affiliated with, or under common control as the health care entity.

c. Any entity listed in par. (f).

(j) Comprehensive financial reports of the health care entity and any ownership or control entities, including audited financial statements, cost reports, annual costs, annual receipts, realized capital gains and losses, accumulated surplus, and accumulated reserves.

(2) EXCEPTIONS. All of the following health care entities are exempt from the reporting requirements under sub. (1):

(a) A health care entity that is an independent provider organization, without any ownership or control entities, consisting of 2 or fewer physicians, provided that

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if that health care entity experiences a material change transaction under s. 150.992, the health care entity is subject to reporting under sub. (1) upon the consummation of the transaction.

(b) A health care provider or provider organization that is owned or controlled by another health care entity, if the health care provider or provider organization is shown in the organizational chart submitted under sub. (1) (g) and the owning or controlling health care entity reports all the information required under sub. (1) on behalf of the controlled or owned entity. Health care facilities are not subject to this exception.

(3) RULES. (a) The department shall promulgate any rules necessary to implement this section, specify the format and content of reports, and impose penalties for noncompliance. The department may require additional reporting of data or information that it determines is necessary to better protect the public's interest in monitoring the financial conditions, organizational structure, business practices, and market share of each registered health care entity.

(b) The department may assess administrative fees on health care entities in an amount to help defray the costs in overseeing and implementing this section.

(4) OWNERSHIP INFORMATION. (a) Information provided under this section shall be public information and may not be considered confidential, proprietary, or a trade secret, except that any individual health care provider's taxpayer identification that is also their social security number shall be confidential.

(b) Not later than December 31, 2028, and annually thereafter, the department shall post on its publicly available website a report with respect to the previous one-year period, including all of the following information:

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1. The number of health care entities reporting for the year, disaggregated by the business structure of each specified entity.

2. The names, addresses, and business structure of any entities with an ownership or controlling interest in each health care entity.

3. Any change in ownership or control for each health care entity.

4. Any change in the tax identification number of a health care entity.

5. As applicable, the name, address, tax identification number, and business structure of other affiliates under common control, subsidiaries, and management services entities for the health care entity, including the business type and the tax identification number of each.

6. An analysis of trends in horizontal and vertical consolidation, disaggregated by business structure and provider type.

(c) The department may share information reported under this section with the attorney general, other state agencies, and other state officials to reduce or avoid duplication in reporting requirements or to facilitate oversight or enforcement under state law. Any tax identification numbers that are individual social security numbers may be shared with the attorney general, other state agencies, or other state officials that agree to maintain the confidentiality of such information. The department may, in consultation with the relevant state agencies, merge similar reporting requirements where appropriate.

(5) ENFORCEMENT. (a) *Audit and inspection authority.* The department is authorized to audit and inspect the records of any health care entity that has failed to submit complete information pursuant to this section or if the department has

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reason to question the accuracy or completeness of the information submitted pursuant this section.

(b) *Random audits.* The department shall conduct annual audits of a random sample of health care entities to verify compliance with, accuracy, and completeness of the reported information pursuant to this section.

(c) *Penalty for failure to report.* If a health care entity fails to provide a complete report under sub. (1), or submits a report containing false information, the entity shall be subject to all of the following civil penalties, as appropriate:

1. Health care entities consisting of independent health care providers or provider organizations without any 3rd-party ownership or control entities, with 10 or fewer physicians or less than \$10 million in annual revenue, a forfeiture of up to \$50,000 for each report not provided or containing false information.

2. For all other health care entities, a forfeiture of up to \$500,000 for each report not provided or containing false information.

SECTION 9419. Effective dates; Health Services.

(1) HEALTHCARE OWNERSHIP AND TRANSPARENCY. The creation of subch. IX of ch. 150, ss. 150.99, 150.992, 150.994, and 150.996 takes effect on January 1, 2027.

(END)