



2005 ASSEMBLY BILL 1110

March 9, 2006 - Introduced by Representatives KAUFERT, GIELOW, KESTELL, SHILLING, KRAWCZYK, UNDERHEIM, LEMAHIEU, MURSAU, HONADEL, AINSWORTH, OWENS, JESKEWITZ, HAHN, MCCORMICK, KREUSER, VRUWINK, SHERIDAN, SEIDEL, LEHMAN, POPE-ROBERTS, MOLEPSKE, MUSSER and VAN ROY, cosponsored by Senators ROESSLER, DARLING, A. LASEE, LASSA and WIRCH. Referred to Joint Committee on Finance.

1 **AN ACT to repeal** 46.281 (1) (d) (intro.), 46.281 (1) (d) 1. and 46.281 (1) (e) (intro.);
2 **to renumber and amend** 46.281 (1) (d) 2.; and **to amend** 46.27 (4) (c) 8., 46.27
3 (5) (am), 46.27 (6) (a) 3., 46.27 (6g) (intro.), 46.27 (9) (c), 46.281 (1) (e) 1., 46.281
4 (1) (e) 2., 46.282 (2) (a) (intro.), 46.283 (2) (b) (intro.), 46.285 (1) (a) and 49.45
5 (3) (ag) of the statutes; **relating to:** contracts with entities to operate resource
6 centers and care management organizations under the Family Care Program.

Analysis by the Legislative Reference Bureau

Currently, the Department of Health and Family Services (DHFS) administers Family Care, a program that provides in certain areas a flexible long-term care benefit called the family care benefit. A person must be at least 18 years of age, meet functional and financial eligibility requirements, and have a physical disability, a developmental disability, or infirmities of aging to qualify for the family care benefit.

Under current law, before July 1, 2001, DHFS was required to establish in certain geographical areas pilot projects under which DHFS contracted with counties, family care districts, federally recognized American Indian tribes or bands, or the Great Lakes Inter-Tribal Council, Inc., to operate resource centers (organizations that provide information and referral services and determine financial and functional eligibility of prospective enrollees) or care management organizations (organizations that assess enrollees' service needs, develop comprehensive care plans for each enrollee, and provide or contract for provision of

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necessary services), or both. After June 30, 2001, if the local long-term care council for an applicable area had developed a required initial plan, and if authorized and funded by the legislature, DHFS was required to contract with one or more entities in addition to those under pilot projects, for services of a resource center or care management organization; however, as affected by 2005 Wisconsin Act 25 (the biennial budget act), any prospective additional contract with an entity to operate a resource center requires advance approval by the Joint Committee on Finance, on a passive review basis.

This bill eliminates the requirements for establishing Family Care pilot projects before July 1, 2001, and integrates requirements for those pilot projects with current requirements for contracts with resource centers and care management organizations. The bill specifies that DHFS may contract with a county, a family care district, a tribe or band, the Great Lakes Inter-Tribal Council, Inc., or two or more of these entities to administer the family care benefit as care management organizations or resource centers. Lastly, the bill authorizes DHFS to contract to administer care management organizations in geographic areas in which more than 29 percent of the population that is eligible for the family care benefit reside, if such a proposed contract receives advance approval from the Joint Committee on Finance, under a passive review process.

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.** 46.27 (4) (c) 8. of the statutes is amended to read:

2 46.27 (4) (c) 8. If a ~~pilot project~~ contract with an entity under s. 46.281 (1) (d)
3 (e) 1. is established in the county, a description of how the activities of the ~~pilot project~~
4 entity relate to and are coordinated with the county's proposed program.

5 **SECTION 2.** 46.27 (5) (am) of the statutes is amended to read:

6 46.27 (5) (am) Organize assessment activities specified in sub. (6). The county
7 department or aging unit shall utilize persons for each assessment who can
8 determine the needs of the person being assessed and who know the availability
9 within the county of services alternative to placement in a nursing home. If any
10 hospital patient is referred to a nursing home for admission, these persons shall work
11 with the hospital discharge planner in performing the activities specified in sub. (6).

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1 The county department or aging unit shall coordinate the involvement of
2 representatives from the county departments under ss. 46.215, 46.22, 51.42 and
3 51.437, health service providers and the county commission on aging in the
4 assessment activities specified in sub. (6), as well as the person being assessed and
5 members of the person's family or the person's guardian. This paragraph does not
6 apply to a county department or aging unit in a county ~~where a pilot project~~ in which
7 the department has contracted with an entity under s. 46.281 (1) ~~(d)~~ is established
8 (e) 1.

9 **SECTION 3.** 46.27 (6) (a) 3. of the statutes is amended to read:

10 46.27 **(6)** (a) 3. In each participating county, except in counties ~~where a pilot~~
11 ~~project~~ in which the department has contracted with an entity under s. 46.281 (1) ~~(d)~~
12 ~~is established~~ (e) 1., assessments shall be conducted for those persons and in
13 accordance with the procedures described in the county's community options plan.
14 The county may elect to establish assessment priorities for persons in target groups
15 identified by the county in its plan regarding gradual implementation. If a person
16 who is already admitted to a nursing home requests an assessment and if funds
17 allocated for assessments under sub. (7) (am) are available, the county shall conduct
18 the assessment.

19 **SECTION 4.** 46.27 (6g) (intro.) of the statutes is amended to read:

20 46.27 **(6g)** FISCAL RESPONSIBILITY. (intro.) Except as provided in s. 51.40, and
21 within the limitations under sub. (7) (b), the fiscal responsibility of a county for an
22 assessment, unless the assessment is performed by an entity under a contract as
23 specified under s. 46.281 (1) ~~(d)~~ (e) 1., case plan, or services provided to a person
24 under this section is as follows:

25 **SECTION 5.** 46.27 (9) (c) of the statutes is amended to read:

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1 46.27 (9) (c) All long-term community support services provided under this
2 pilot project in lieu of nursing home care shall be consistent with those services
3 described in the participating county's community options plan under sub. (4) (c) 1.
4 and provided under sub. (5) (b). Unless the department has contracted under s.
5 46.281 (1) (d) (e) 1. with an entity other than the county department, each county
6 participating in the pilot project shall assess persons under sub. (6).

7 **SECTION 6.** 46.281 (1) (d) (intro.) of the statutes is repealed.

8 **SECTION 7.** 46.281 (1) (d) 1. of the statutes is repealed.

9 **SECTION 8.** 46.281 (1) (d) 2. of the statutes is renumbered 46.281 (1) (d) and
10 amended to read:

11 46.281 (1) (d) In geographic areas in which resides no more than ~~29%~~ 29
12 percent of the population that is eligible for the family care benefit, contract with
13 ~~counties or tribes or bands under a pilot project to demonstrate the ability of counties~~
14 ~~or tribes or bands~~ a county, a family care district, a tribe or band, the Great Lakes
15 Inter-Tribal Council, Inc., or with 2 or more of these entities to manage all long-term
16 care programs and administer the family care benefit as care management
17 organizations. If the department proposes to contract with these entities to
18 administer care management organizations in geographic areas in which resides
19 more than 29 percent of the population that is eligible for the family care benefit, the
20 department shall first notify the joint committee on finance in writing of the
21 proposed contract. If the cochairpersons of the committee do not notify the
22 department within 14 working days after the date of the department's notification
23 that the committee has scheduled a meeting for the purpose of reviewing the
24 proposed contract, the department may enter into the proposed contract. If within
25 14 days after the date of the department's notification the cochairpersons of the

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1 committee notify the department that the committee has scheduled a meeting for the
2 purpose of reviewing the proposed contract, the department may enter into the
3 proposed contract only upon approval of the committee.

4 **SECTION 9.** 46.281 (1) (e) (intro.) of the statutes, as affected by 2005 Wisconsin
5 Act 25, is repealed.

6 **SECTION 10.** 46.281 (1) (e) 1. of the statutes, as affected by 2005 Wisconsin Act
7 25, is amended to read:

8 46.281 (1) (e) 1. If the local long-term care council for the applicable area has
9 developed the initial plan under s. 46.282 (3) (a) 1., contract with entities specified
10 under par. (d) and may, only if specifically authorized by the legislature and if the
11 legislature appropriates necessary funding, contract as so authorized with one or
12 more entities in addition to those specified in par. (d) certified as meeting
13 requirements under s. 46.284 (3) for services of the entity as a care management
14 organization.

15 **SECTION 11.** 46.281 (1) (e) 2. of the statutes, as created by 2005 Wisconsin Act
16 25, is amended to read:

17 46.281 (1) (e) 2. Contract with entities specified under par. (d) and may contract
18 with other entities for the provision of services under s. 46.283 (3) and (4), except that
19 after July 27, 2005, the department shall notify the joint committee on finance in
20 writing of any proposed contract with an entity that did not have a contract to provide
21 services under s. 46.283 (3) and (4) before July 27, 2005. If the cochairpersons of the
22 committee do not notify the department within 14 working days after the date of the
23 department's notification that the committee has scheduled a meeting for the
24 purpose of reviewing the proposed contract, the department may enter into the
25 proposed contract. If within 14 working days after the date of the department's

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1 notification the cochairpersons of the committee notify the department that the
2 committee has scheduled a meeting for the purpose of reviewing the proposed
3 contract, the department may enter into the proposed contract only upon approval
4 of the committee.

5 **SECTION 12.** 46.282 (2) (a) (intro.) of the statutes is amended to read:

6 46.282 (2) (a) *Appointment by a county.* (intro.) In a county ~~that participates~~
7 ~~in a pilot project in which the department has a contract~~ under s. 46.281 (1) ~~(d)~~ (e)
8 and before a county participates in the program under ss. 46.2805 to 46.2895, the
9 following shall be done:

10 **SECTION 13.** 46.283 (2) (b) (intro.) of the statutes, as affected by 2005 Wisconsin
11 Act 25, is amended to read:

12 46.283 (2) (b) (intro.) After June 30, 2001, the department ~~shall contract with~~
13 ~~the entities specified under s. 46.281 (1) (d) 1. and may, if the applicable review~~
14 ~~conditions under s. 48.281 (1) (e) 2. s. 46.281 (1) (e) 2. are satisfied, in addition to~~
15 ~~contracting with these entities, contract to operate a resource center with counties,~~
16 family care districts, or the governing body of a tribe or band or the Great Lakes
17 Inter-Tribal Council, Inc., under a joint application of any of these, or with a private
18 nonprofit organization if the department determines that the organization has no
19 significant connection to an entity that operates a care management organization
20 and if any of the following applies:

21 **SECTION 14.** 46.285 (1) (a) of the statutes is amended to read:

22 46.285 (1) (a) For ~~a pilot project established~~ an entity with which the
23 department has contracted under s. 46.281 (1) ~~(d) 2.~~ (e) 1., provision of the services
24 specified under s. 46.283 (3) (b), (e), (f) and (g) shall be structurally separate from the
25 provision of services of the care management organization by January 1, 2001.

