

**HEALTH AND HUMAN SERVICES**

## Community Aids

Item #33

Under current law, the Department of Health and Family Services (DHFS) distributes general purpose revenues and federal revenues, as community aids, to counties to provide social, mental health, developmental disabilities and alcohol and other drug abuse services. Currently, DHFS is required to distribute community aids in the form of a basic county allocation, together with certain categorical allocations, including an allocation for Alzheimer's family and caregiver support. Currently, a county's annual community aids allocation is specified in a contract between DHFS and the county, and DHFS distributes the county's allocation in reimbursement of claims submitted by the county for moneys expended for those services. Currently, a county must provide matching funds for a year equal to 9.89% of that county's community aids distribution for the year.

The Governor's budget sets the basic county allocation for FY 1999-2000 at not more than \$277,177,800 and not more than \$279,462,400 for FY 2000-2001. The Governor's budget also permits DHFS to distribute not more than \$4,500,000 of the basic county allocation in each fiscal year based on performance standards for services funded by community aids developed by DHFS and incorporated in the contracts between DHFS and the counties beginning on or after January 1, 2000.

Additionally, the Governor's budget provides that, if a care management organization under the family care program is available in a county, DHFS may dispose of the county's Alzheimer's

family and caregiver support allocation and not more than 21.3% of the county's basic county allocation by transferring a portion of those allocations, as determined by DHFS, to the family care program to fund the services of resource centers and care management organizations under the family care program and by transferring a portion of those allocations, as determined by DHFS, to the county's allocation for adult protective services. If DHFS transfers a portion of those allocations to a county's adult protective services allocation, the county must provide matching funds for a year equal to 9.89% of the amount transferred to the family care program and to the adult services allocation for the year.

The Governor's budget also permits DHFS to decrease a county's basic county allocation by the amount that DHFS estimates that it will incur in providing services to a former recipient of services funded under community aids who is a participant in the medical assistance buy-in program created under the Governor's budget. Under current law, DHFS distributes to counties, as community aids, federal substance abuse prevention and treatment funds and federal child welfare funds. The Governor's budget sets the amounts of those distributions for each fiscal year.

**BOARD ACTION:** March 12, 1999  
Board of Directors: 1) Amend to provide inflationary increases and replace social services block grant reductions; 2) Oppose performance standard distribution; 3) Oppose reduction of Community Aids funds for Medical Assistance buy-in program; and 4) Monitor Community Aids transfer to Family Care.

## Community Aids Funding

Funding Source	Base Funding	FY 1999-2000	FY 2000-2001
<b>GPR</b>	\$175,393,200	\$172,510,500	\$179,806,800
<b>Federal:</b>			
Title IV-E - Foster Care	\$40,379,700	\$27,171,600	\$32,014,400
Social Services Block Grant	\$40,271,200	\$31,722,400	\$28,098,200
TANF Block Grant	\$31,800,000	\$31,800,000	\$18,086,200
Substance Abuse Block Grant	\$11,318,700	\$11,318,700	\$11,318,700
Title IV-B - Child Welfare	\$3,734,000	\$3,734,000	\$3,734,000
Community Mental Health Block Grant	\$2,513,400	\$2,513,400	\$2,513,400
MA Targeted Case Management		\$13,472,900	\$13,453,100
<b>Total Federal</b>	\$130,017,000	\$121,733,000	\$109,218,000
<b>Total Funding</b>	\$305,410,200	\$294,243,500	\$289,024,800

Funding totals for community aids do not include community aids dollars earmarked for Family Care. Amounts earmarked for Family Care total in FY 1999-2000 \$2,882,700 in GPR and \$513,300 in Social Services Block Grant funding and in FY 2000-2001, \$9,300,200 in GPR and \$1,599,000 in Social Services Block Grant funding.

The reduction in Title IV-E reflects a shift in case management child welfare claims from Title IV-E to MA.

## Caregiver Background Checks

### Item #34

Under current law, an adult treatment facility, organization or service may not hire certain persons if the person may have access to clients and may not allow the person to reside as a nonclient in the facility. The persons to whom these restrictions apply have been convicted of or have pending a charge for a serious crime; have been found to have abused or neglected a facility client or misappropriated client money; have abused or neglected a child; or are not sufficiently credentialed to provide adequate client care. The prohibitions do not apply if the person demonstrates to the Department of Health and Family Services (DHFS) by clear and convincing evidence and under specific procedures that he or she has been rehabilitated, unless the person has been convicted of certain offenses. Each adult treatment facility, organization or service must obtain specific personal background information, including information obtained from criminal history searches, about persons applying to operate facilities, organizations and services and must obtain the information every four years for employees or contractors.

The Governor's budget, rather than requiring investigation of a person who has or is expected to have access to the clients of the facility, organization or service, instead requires investigation of a person who provides to the clients or is expected to provide to them, direct care that is more intensive than negligible care in quantity or quality or in the amount of time required to provide the care.

Under current law, DHFS is authorized to charge a fee for the personal background information checks that it must conduct in order to issue a license for the operation of an adult treatment facility.

The Governor's budget authorizes DHFS to charge a fee for the costs of providing personal background information to an adult treatment facility, organization or service about an employee or contractor or prospective employee or contractor of the facility, organization or service. Additionally, the Governor's budget authorizes DHFS to charge a fee to persons for the costs incurred by DHFS under requests to demonstrate that the persons have been rehabilitated.

Under current law, a foster home, treatment foster home, group home, shelter care facility, child welfare agency or day care center may not hire or contract with a person who will be under the entity's control and who is expected to have access to the entity's clients if the person has been convicted of or has pending a charge for a serious crime, as defined by DHFS by rule, has abused or neglected a client or has misappropriated the property of the client, has abused or neglected a child or is not sufficiently credentialed to provide adequate care to a client. Current law, however, permits, subject to certain exceptions, such a person to be hired or contracted with if the person demonstrates to DHFS that the person has been rehabilitated. Current law requires an entity to obtain, at the time of initial hiring or contracting and every four years after that, certain personal background information, including a criminal history search, about an employee, prospective employee, contractor or prospective

contractor who has, or is expected to have access to the entity's clients.

The Governor's budget requires an entity to conduct a background investigation of a person who provides to clients, or is expected to provide to them, direct care that is more intensive than negligible care in quantity or quality or in the amount of time required to provide the care.

Additionally, the Governor's budget permits DHFS, a county department, a child welfare agency or a school board to charge a fee for obtaining background information about an employee or contractor or prospective employee or contractor of an entity. The Governor's budget also permits DHFS, a county department, a child welfare agency or a school board to charge a fee to a person for the costs incurred in determining whether the person has been rehabilitated.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

### **Child Support Incentive Payments**

Item #35

Under current law, the Department of Workforce Development (DWD) makes state incentive payments to counties that meet child support collection and administrative efficiency criteria. The payments are made according to a distribution formula that is calculated to provide incentives for a county to increase its child support collections and paternity establishments and that prohibits the state incentive payment to a county, in combination with any federal incentive payment to the county, from

exceeding 5% of the county's child support program costs.

The Governor's budget eliminates the part of the formula that prohibits the total of state and federal incentive payments from exceeding 5% of a county's child support program costs.

Currently, the state incentive payments, as well as grants to counties for programs to revise child support orders and assistance to counties for establishing paternity and obtaining child support, are paid from a general purpose revenue appropriation.

The Governor's budget eliminates that appropriation and provides for payment of the incentive payments, grants and assistance from moneys transferred from the support collections trust fund, into which is deposited child support paid by persons who are ordered by a court to pay child support for their dependent children.

Additionally, in fiscal years 1997-98 and 1998-99 DWD paid child support incentive payments to counties to offset reduced federal child support incentive payments.

The Governor's budget provides that DWD will pay child support incentive payments to counties to offset reduced federal child support incentive payments in fiscal years 1999-2000 and 2000-2001. Total payments may not exceed \$3,850,000 in 1999-2000 and \$3,850,000 in 2000-2001.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Oppose.

## **Child Support – Food Stamp Program**

Item #36

Under current law, in a number of situations the state may join in an action affecting the family as a real party in interest for purposes of establishing paternity or securing future support or reimbursement of aid paid.

The Governor's budget adds to those situations, if a custodial parent involved in the action is receiving food stamp benefits.

Additionally, an individual who is the custodial parent of, or who exercises parental control over, a child who has an absent parent, is ineligible to receive food stamps if the individual does not fully cooperate in good faith with efforts to obtain support payments, if any, to which the child may have rights.

Under the Governor's budget, such an individual is ineligible for food stamps if the individual fails to cooperate in establishing or enforcing a support order, if appropriate.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

## **Child Support – Receipt and Disbursement Fee**

Item #37

Under current law, a payer of child support or maintenance is required by statute to pay an annual receipt and disbursement fee of \$25 to the Department of Workforce Development (DWD).

The Governor's budget provides that the receipt and disbursement fee must be paid by wage assignment, just as support and maintenance payments are paid. Additionally, the Governor's budget authorizes DWD to collect any annual fee payment that was owed to a clerk of court, that was not paid to the clerk and that is shown on DWD's automated payment and collection system on December 31, 1998. The unpaid fees may be collected by wage assignment, or DWD may move the court for a contempt of court sanction if wage assignment is inapplicable or ineffective.

Current law also provides that each order for child or family support, maintenance or spousal support is an automatic assignment of a person's wages to DWD in an amount that is sufficient to ensure payment of the amount under the order, as well as any arrearages due at a periodic rate that does not exceed 50% of the amount due under the order, as long as the additional amount for arrearages does not leave the person at an income below the federal poverty line. Current law also provides that, if an assignment does not require immediately effective withholding and the payer misses a payment, the court or family court commissioner may cause the assignment to go into effect by providing notice of the assignment to the payer's employer or other person from whom the payer receives or will receive money. The payer also receives notice and may request a hearing on whether the assignment should remain in effect.

The Governor's budget clarifies that the portion of the original assignment that was for any arrearages due is an assigned amount that does not require immediately effective withholding and

that, if a payer accrues an arrearage by missing a payment, the assignment of the arrearage may be put into effect by providing notice to the payer and to a person from whom the payer receives or will receive money. The Governor's budget also provides that in addition to the court and the family court commissioner, the county child support agency may cause the assignment for arrearages to go into effect by sending the required notices.

Additionally, the Governor's budget provides that the wage assignment of a person who had an obligation to pay support or maintenance, but who no longer has a current obligation to do so, will continue in effect if the person has an arrearage in the payment of support or maintenance. The amount of the assignment may be up to the amount that the assignment was before the person's current obligation to pay support or maintenance terminated.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Oppose.

### **Child Support - Payment Agreement**

Item #38

Under current law, the Department of Workforce Development (DWD) certifies to the Department of Revenue (DOR) the names of individuals who are obligated to pay child or family support, maintenance, medical expenses of a child or birth expenses and who have failed to make one or more payments. DOR uses the information to intercept income tax refunds that would be paid to those delinquent obligors. DWD provides the certifications that it makes to DOR to various specified state

agencies that make grants or loans to individuals. Any individual who is the subject of such a certification is prohibited from receiving a grant or loan.

Additionally, if an individual who has a court-ordered obligation to make periodic payments of support fails to make a payment, the amount of the delinquent support automatically becomes a lien against all of the individual's property. DWD is required to maintain a statewide support lien docket that lists the delinquent obligors and the amount of support that each owes. DWD is required to provide a copy of the lien docket to each county register of deeds and each county child support agency.

The Governor's budget eliminates the requirement that DWD provide to the various specified state agencies the certifications that it provides to DOR. Instead, each agency is prohibited from making a grant or loan to an individual whose name is included on the statewide support lien docket. An individual whose name is on the lien docket may still receive a grant or loan, however, if the individual provides to the agency a copy of a payment or agreement that has been approved by a county child support agency for payment of the delinquent support.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

### **Enhanced CIP-1B Rate**

Item #39

Currently, under a waiver of federal medicaid laws, state revenues and federal medicaid moneys provide home

or community-based care for persons who are eligible for medical assistance (MA) and who are diagnosed as developmentally disabled. These persons are either relocated into the community from institutions other than a state center for the developmentally disabled, or they meet requirements for MA-reimbursed care in Intermediate Care Facilities for the Mentally Retarded (ICFMR's). The Department of Health and Family Services (DHFS) is authorized to provide enhanced reimbursement under the CIP 1B program for a person who was relocated to the community from an intermediate care facility for the mentally retarded that closes.

The Governor's budget authorizes DHFS to provide enhanced reimbursement under the CIP 1B program for a person who is relocated to the community from an intermediate care facility for the mentally retarded, or a distinct part thereof, that has a DHFS-approved plan of closure and that intends to close within 12 months.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

### **License Fees for Adult Facilities**

Item #40

The Governor's budget increases the biennial license fee for a Community-Based Residential Facility (CBRF) from \$170 to \$323, plus increases the fee for each resident for which the facility has licensed capacity from \$22 to \$41.80.

The Governor's budget also prohibits the receipt of MA reimbursement by a person who provides services to clients under the COP waiver in an adult day

care center unless the adult day care center is certified as a provider of MA by DHFS. The Governor's budget prescribes a biennial fee for this certification of an adult day care center of \$100, plus a biennial fee of \$20 for each client that the adult day care center is certified to serve.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

### **Mental Health Institute Rates**

Item #41

Under current law, county departments of community programs authorize all care of any patient in mental health institutes, which are operated by the Department of Health and Family Services (DHFS). If a mental health institute provides a county department of community programs with services, DHFS regularly bills the county for the care at rates that reflect the estimated per diem cost of specific levels of care, as adjusted periodically by DHFS.

The Governor's budget authorizes DHFS to set rates on a flexible basis, rather than at the estimated per diem cost of specific levels of care, for billing county departments of community programs for care provided in mental health institutes. The Governor's budget requires that the flexible rate structure set by DHFS recover the cost of operations.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.



**Blue Ribbon Commission on  
Mental Health  
Recommendations**

Item #42

The Governor's budget requires the Department of Health and Family Services (DHFS) to contract with counties or federally recognized American Indian tribes or bands to provide, from state GPR and federal moneys, up to two demonstration projects in FY2000-01. The projects are to provide mental health and AODA services under managed care programs to persons who suffer from mental illness, alcohol or other drug dependency, or both illness and dependency. DHFS must submit for approval by the Secretary of the federal Department of Health and Human Services any necessary requests for waiver of federal medical assistance laws to secure federal financial participation for these managed care demonstration projects. DHFS may, however, contract for provision of the demonstration projects, regardless of whether a waiver is received.

The Governor's budget defines various terms and authorizes DHFS, within the limits of available state and federal funds, to do all of the following:

1. Promote the creation of coalitions to develop, coordinate and provide resources to advance prevention, early intervention, treatment, recovery and other achievements for consumers of mental health and AODA services.
2. In cooperation with specified parties, develop and implement a comprehensive strategy to reduce stigma of and discrimination

3. against persons with mental illness, alcoholics and drug dependent persons.
3. Develop and implement a comprehensive strategy to involve counties, service providers for mental health and AODA services, consumers, interested community members and advocates as equal participants in service system planning and delivery.
4. Promote responsible stewardship of human and fiscal resources in the provision of mental health and AODA services.
5. Develop and implement methods to identify and measure outcomes for consumers.
6. Promote access to appropriate mental health and AODA services regardless of a person's geographic location, age and other factors.
7. Promote consumer decision making.
8. Promote provider use of individualized service planning.

The Governor's budget requires DHFS to ensure that service providers who use individualized service planning meet certain requirements in using the planning.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

**Public Records – Foster Parents**

Item #43

The Governor's budget prohibits the Department of Corrections (DOC), a county department of human services or social services or a licensed child welfare agency from making available

for inspection or disclosing the contents of any record kept or information received relating to a substitute care parent or a family member of a substitute care parent without first receiving the written permission of the substitute care parent, except by order of the juvenile court. The Governor's budget, however, does not apply to the confidential exchange of information between an agency and another social welfare agency. The budget also does not prohibit an agency from disclosing to the juvenile's parent, guardian or legal custodian the name and address of the substitute care parent or from including the location of the juvenile's placement in the juvenile's permanency plan.

The Governor's budget prohibits the Department of Health and Family Services (DHFS), a county department of human services or social services or a licensed child welfare agency from making available for inspection or disclosing the contents of any record kept or information received relating to a substitute care parent or a family member of a substitute care parent without first receiving the written permission of the substitute care parent, except by order of the juvenile court. The Governor's budget, however, does not apply to the confidential exchange of information between an agency and another social welfare agency. The budget also does not prohibit an agency from making available for inspection or disclosing the contents of a record as permitted under the child abuse and neglect reporting law, from disclosing to the child's parent, guardian or legal custodian the name and address of the substitute care parent or from including the location of the child's placement in the child's permanency plan.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

### **Appeal of Substantiated Abuse or Neglect Findings**

Item #44

Under current law, an agency that is responsible for investigating reports of suspected or threatened child abuse or neglect must determine, within 60 days after receipt of such report, whether abuse or neglect has occurred or is likely to occur. Currently, there is no procedure for appealing that determination.

The Governor's budget permits a person who has been found to have abused or neglected a child to appeal that finding in accordance with procedures established by the Department of Health and Family Services.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

### **Public Disclosure of Abuse and Neglect Information**

Item #45

Under current law, an agency responsible for investigating reports of suspected or threatened child abuse or neglect must keep its records confidential and may disclose those records only under certain exceptions.

The Governor's budget permits such an agency, subject to standards established by the Department of Health and Family Services (DHFS), to disclose to the news media and the general public, information from the agency's records in cases in which a child died or was placed

in serious or critical condition as a result of abuse or neglect.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

### **Access to Records – Child Abuse Citizen Review Panels**

Item #46

Under current federal law, each state that receives a grant under the federal Child Abuse Prevention and Treatment Act must establish not less than three child abuse and neglect citizen review panels to evaluate the extent to which local agencies responsible for providing child protective services are effectively discharging their responsibilities and must ensure that otherwise confidential child abuse and neglect records are made available to those panels.

The Governor's budget permits a child abuse and neglect citizen review panel established by the Department of Health and Family Services (DHFS) or a county department of human or social services to have access to the otherwise confidential child abuse and neglect records of an agency responsible for child protection as necessary for the panel to carry out its functions.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

### **MA Eligibility**

Item #47

The Governor's budget directs the Department of Health and Family Services (DHFS) to seek federal approval of an amendment to the state MA plan and to request any necessary waivers from the Secretary of the federal

Department of Health and Human Services (DHFS) and from the Commissioner of the Social Security Administration to expand MA eligibility to disabled persons who would qualify for SSI but for excess income and assets. Under the Governor's budget, a disabled person whose family's income is less than 250% of the federal poverty line and whose assets do not exceed \$20,000 is eligible to receive MA if the person pays a monthly premium and a one-time initial premium established by DHFS. The Governor's budget directs DHFS, however, to pay the monthly premium for a person who is eligible for the purchase plan and who is receiving services under the Community Options Program (COP). The Governor's budget also authorizes DHFS to pay for that person's one-time entry premium.

The expansion plan would begin no later than January 1, 2000 or 3 months after full federal approval, whichever is later. The Governor's budget also requires DHFS to evaluate how to coordinate the Health Insurance Risk-Sharing Plan (HIRSP) with the plan related to MA coverage created in the budget. If necessary, DHFS must develop proposed legislation that coordinates the two programs and that addresses the provision of health care coverage for individuals who are eligible for both HIRSP and the MA coverage plan.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Oppose reduction of Community Aids funds for Medical Assistance buy-in program.

## **Unspent IV-E and MA Funds**

Item #48

Under current law, the state receives federal foster care and adoption assistance funding under Title IV-E of the Social Security Act in reimbursement of moneys expended by the state and the counties for activities relating to foster care and the adoption of children. Currently, the Department of Health and Family Services (DHFS) distributes IV-E funds as community aids to counties for the provision of social services to children and families. If on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the amount of IV-E funds allocated as community aids in that year, DHFS must carry forward to the next year those excess IV-E funds and distribute not less than 50% of those excess IV-E funds to counties having a population of less than 500,000 for services and projects to assist children and families.

The Governor's budget requires DHFS to distribute as community aids to counties having a population of less than 500,000 any federal medical assistance (MA) funds received as reimbursement of moneys expended in counties having a population of less than 500,000 by the state and the counties for case management services provided to children who are recipients of MA. The Governor's budget also provides that, if on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the combined amount of IV-E funds and MA targeted case management funds distributed as community aids in that year, DHFS must

carry forward to the next year those excess IV-E and MA targeted case management funds and distribute those excess funds to counties having a population of less than 500,000 for services and projects to assist children and families.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

## **Statewide Automated Child Welfare Information System**

Item #49

The Governor's budget requires the Department of Health and Family Services (DHFS) to establish and counties to implement a statewide child welfare information system (WISACWIS) before July 1, 2006; permits DHFS, beginning on July 1, 2001, to distribute excess IV-E funds only to counties that are making a good faith effort to implement WISACWIS; and permits DHFS to recover from a county that does not implement WISACWIS before July 1, 2006, any excess IV-E funds distributed to that county after June 30, 2001.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

## **Milwaukee County - JIPS - CHIPS**

Item #50

The Governor's budget prohibits the chief judge in Milwaukee County from directing the Department of Health and Family Services (DHFS) to provide intake and juvenile court services in cases in which the referral information indicates that the juvenile should be referred to the juvenile court under the

juvenile justice code, unless that information indicates that the juvenile should also be referred to the juvenile court under the children's code. The Governor's budget also requires the chief judge to direct DHFS and the county department to coordinate the provision of services in cases in which a DHFS intake worker determines that jurisdiction exists under the juvenile justice code instead of or in addition to the children's code and in cases in which a county department intake worker determines that jurisdiction exists under the children's code instead of or in addition to the juvenile justice code.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Oppose.

### **Brighter Futures Initiative**

Item #51

Under current law, Department of Health and Family Services (DHFS) provides grants for various programs relating to youth alcohol and other drug abuse, adolescent pregnancy and other adolescent services. Those programs include a neighborhood drug use and violence prevention program, a community alcohol and other drug abuse prevention program, a drug prevention program for Milwaukee public high school athletes, an adolescent pregnancy prevention program, an adolescent resource center in Milwaukee, a minority adolescent parenting skills program in Milwaukee and an adolescent choices project.

The Governor's budget eliminates all of those programs and instead creates a brighter futures initiative under which DHFS distributes grants to public or private organizations operating in

Milwaukee County, county departments of human services, social services, community programs or developmental disabilities services operating in counties other than Milwaukee County, and federally recognized American Indian tribes or bands in this state, to provide programs to prevent and reduce the incidence of youth violence and other delinquent behavior, prevent and reduce the incidence of youth alcohol and other drug use and abuse, prevent and reduce the incidence of nonmarital pregnancy, increase the use of abstinence as a method of preventing nonmarital pregnancy, prevent and reduce the incidence of child abuse and neglect and increase adolescent self-sufficiency by encouraging high school graduation, vocational preparedness, improved social and other interpersonal skills and responsible decision making. The Governor's budget requires DHFS to provide a set of benchmark indicators to measure the outcomes that are expected of a program funded under the initiative and permits DHFS to renew a grant only if the recipient shows improvement on those indicators.

Total grant awards are as follows (beginning January 1, 2001): \$1,250,600 annually to applying nonprofit corporations and public agencies operating in Milwaukee County; \$1,109,300 annually to applying county departments in counties other than Milwaukee; and \$7,500 annually to applying federally recognized American Indian tribes or bands.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

**Celebrate Children Registration Plate**

Item #52

The Governor's budget renames the Children First registration plate, the Celebrate Children registration plate. The Governor's budget also authorizes the child abuse and neglect prevention board to expend the \$20 fees (annual charge for plate) that are deposited in the children's trust fund for statewide projects and grants to further the prevention of child abuse and neglect and for administrative purposes.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

**Milwaukee County - County Contribution for Child Welfare Costs**

Item #53

The Governor's budget eliminates the requirement that the Department of Administration (DOA) and Milwaukee County agree as to the method by which the state will collect the county's contribution for child welfare services and provides instead that DOA must collect those moneys by deducting all or part of those moneys from any community aids or shared revenue payments due the county.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

**Immunization Funding**

Item #54

Under current law, the Department of Health and Family Services (DHFS) administers a statewide immunization

program to eliminate mumps, measles, rubella, diphtheria, pertussis, poliomyelitis and certain other diseases, and to protect against tetanus. The amount that DHFS is authorized to spend on the statewide immunization program is determined by the amount of funding made available by the federal government for that purpose.

The Governor's budget increases the amount DHFS is authorized to spend for the statewide immunization program in anticipation of increased federal funding for the program from \$8,776,400 to \$9,000,000 in each year of the biennium.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

**Alzheimer's Institute Grant Funding**

Item #55

Under current law, the Department of Health and Family Services (DHFS) must award a grant to at least one private nonprofit organization to conduct training, provide technical assistance, collect and disseminate information and provide other services with respect to Alzheimer's disease.

The Governor's budget requires DHFS to award Alzheimer's disease training and information grants to a private nonprofit organization or to a county, city, town, village, school district, state agency or agency of a county, city, town, village or school district.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

**Public Assistance Burial Reimbursements**

Item #56

Under current law, if a recipient of certain public assistance benefits dies and the estate of the deceased recipient is insufficient to pay for the funeral, burial and cemetery expenses, the county or applicable tribal governing body or organization responsible for burial of the recipient must pay the cemetery expenses that are not paid by the deceased recipient's estate (but not more than \$1000) and must pay the funeral and burial expenses that are not paid by the deceased recipient's estate (but not more than \$1000). With certain exceptions, the Department of Workforce Development (DWD) is required to reimburse the county, tribal governing body or organization responsible for burial of the deceased recipient only for those expenditures that the county, tribal governing body or organization was required to pay.

Under the Governor's budget, a county, tribal governing body or organization responsible for burying the recipient is not required to make a payment for funeral, burial or cemetery expenses if the request for the payment is made more than 12 months after the recipient died.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

**Transitional Housing Grants**

Item #57

Under current law, the Department of Administration (DOA) may make grants that do not exceed \$50,000 each to counties and municipalities, community

action agencies and private, nonprofit organizations for the purpose of providing housing and associated support services to homeless families and individuals.

The Governor's budget removes the dollar limit on the grants so that a grant of any size may be awarded.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

**MA Coverage for AODA Residential Treatment**

Item #58

Under current law, recipients under the Medical Assistance (MA) program may obtain coverage for inpatient hospital services and outpatient services for treatment of alcohol or other drug abuse.

The Governor's budget provides an additional MA benefit, until July 1, 2003, of residential treatment services for AODA, limited to 45 days of treatment services per treatment episode. The benefit may be provided only in a facility of fewer than 16 beds in a county, city, town or village that elects both to become certified as a provider of the services, or to contract with a certified provider to provide the services, and to pay the amount of the allowable charges for the services under the MA program that is not provided by the federal government.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

## **Family Care**

### Item #59

Under current law home and community-based long-term care is provided to the elderly, physically disabled, developmentally disabled, mentally ill and chemically dependent.

These programs are funded through a combination of federal, state and county dollars. Each program has individualized eligibility criteria and benefit restrictions.

For the elderly and disabled, these programs include Medical Assistance (MA), the Community Options Program (COP), Community Integration Programs (CIP) and Community Aids (CA).

MA is a jointly funded federal-state health program for persons with low income and few assets. COP provides assessments of individuals ability to function in the community as well as home and community-based care to the elderly, physically disabled, and the developmentally disabled as an alternative to institutional care. CIP provides home and community-based services for persons relocated from institutions.

### **Family Care Benefit**

The Governor's budget establishes a program of financial assistance for long-term care and support items called a "family care benefit" for persons who are eligible and are enrolled in a Care Management Organization (CMO). The family care benefit is funded by General Purpose Revenues (GPR) appropriated for Medical Assistance (MA),

Community Options Program (COP) and Community Aids (CA).

The Department of Health and Family Services (DHFS) must request from the federal Department of Health and Human Services any waivers from federal medicaid laws necessary to permit use of federal dollars to provide the family care benefit to MA recipients.

Persons are eligible for the family care benefit if they are at least 18 years old, do not have a primary disabling condition of mental illness, substance abuse or developmental disability and meet the functional and financial eligibility criteria.

Functional eligibility criteria require functional capacity at either the comprehensive or intermediate level or a condition that is expected to last at least 90 days or result in death within a year for a person who was a resident in a nursing home or was receiving long-term care services funded under COP, CIP, the Alzheimer's Family Caregiver Support Program, CA or county funding.

Persons are financially eligible if they are eligible for MA or if the cost of their care plan exceeds countable income and assets. A person is entitled to the family care benefit and may enroll in a care management organization if he or she is financially eligible, meets cost-sharing requirements and meets any of several functional eligibility requirements. A person may also be eligible if they have a primary disabling condition of developmental disability and were a resident of a county that operated a care management organization under a pilot project.



A client may contest denial of eligibility, the determination of cost sharing, denial of entitlement, failure to provide timely services and support items in the plan of care, reduction of services or support items, development of an unacceptable plan of care and termination of the family care benefit, by filing a written request for a hearing within 45 days of receipt of notice of the contested matter. The Department of Health and Family Services will prescribe the hearing procedures by rule.

### **Resource Centers**

The Governor's budget provides for a resource center, which, among other things, must provide under a contract with the Department of Health and Family Services (DHFS), information and referral services, determinations of functional and financial eligibility for the family care benefit, assistance in enrolling in a care management organization if the person chooses to do so, and eligibility for certain other benefits including Medical Assistance (MA).

Within six months after the family care benefit is available to all eligible persons in the area of the resource center, the resource center must provide information about its services to all older persons and persons with a physical disability who reside in nursing homes, Community-Based Residential Facilities (CBRF's), adult family homes and residential care apartment complexes in the area of the resource center.

A resource center must have a governing board that reflects the ethnic and economic diversity of the geographic area served by the resource center, and at

least one-fourth of the governing board's members must be older persons or persons with physical or developmental disabilities or their family members, guardians or other advocates.

### **Care Management Organizations**

The Governor's budget establishes requirements for a Care Management Organization (CMO), which must, under a contract with the Department of Health and Family Services (DHFS), that provides payment on a capitated basis, accept enrollment of persons who are entitled to the family care benefit, as well as enrollment of persons who are eligible for the family care benefit and for whom funding is available.

Under the contract, the CMO must conduct a comprehensive assessment for each enrollee, develop a comprehensive care plan for the enrollee and provide or contract for the provision of necessary services.

DHFS may, by contract, impose solvency protections on a CMO, including the requirement that a CMO must segregate a risk reserve from other funds of the CMO or its authorizing body and that the CMO must maintain a risk reserve in an interest-bearing escrow account with a financial institution.

A CMO must have a governing board under requirements that are similar to those for the governing board of a resource center. The Governor's budget specifically exempts a CMO from requirements for licensure as a home health agency.

## **DHFS Oversight**

The Governor's budget requires the Department of Health and Family Services (DHFS) to prescribe and implement a per person monthly rate structure for costs of the family care benefit. DHFS must also prescribe by rule and enforce performance standards for operation of resource centers and Care Management Organizations (CMOs), conduct ongoing evaluations of the system implementing the family care benefit and ensure that external organizations conduct reviews of the quality of management and service delivery of resource centers and CMO's.

## **Family Care Districts**

The Governor's budget authorizes county boards to create, on a single county or multicounty basis, special purpose districts that are termed family care districts. A family care district is a local unit of government, separate and distinct from the state and a county, for which the primary purpose is to operate a resource center or a (Care Management Organization (CMO), but not both).

The jurisdiction of the family care district is the county or counties of the county board or boards of supervisors who created the district. The family care district's board is appointed for three-year terms by the county board of supervisors and must consist of 15 persons for a single county and, for a multicounty family care district, an additional member for each county in excess of two. Board members must be residents of the family care district's jurisdiction. At least one-fourth of the members must be representative of the client group or groups whom it is the

family care district's primary purpose to serve those clients' family members, guardians or other advocates. No member may have a private financial interest in or profit from any contract or other business of the family care district.

The family care district may carry out the provisions in the Governor's budget related to the family care benefit, resource centers and CMO's. In addition the family care district can adopt and alter an official seal; adopt bylaws and policies and procedures to regulate its affairs; sue and be sued; negotiate and enter into leases and contracts; provide services related to services available under the family care benefit, to older persons and persons with disabilities, in addition to the services funded under the contract to operate a resource center or CMO; acquire, construct, equip, maintain, improve or manage a resource center or a CMO, but not both; employ agents, employees or special advisers, fix and regulate their compensation and provide employee benefits; mortgage, pledge or otherwise encumber the family care district's property or funds; buy, sell or lease property and maintain or dispose of it; create a risk reserve or special reserve, including as DHFS requires by contract; accept aid; and make instruments necessary to exercise its powers.

The family care district may also invest funds in an interest-bearing escrow account, in time deposits with a maturity of not more than two years and in federal bonds or securities. The family care district may not, however, issue bonds or levy a tax or assessment.

The family care district must appoint a director, who must manage the family care district's property, business and employees. The family care district must also develop and implement a personnel structure and other employment policies.

If the family care district plans to hire employees who were formerly county employees to perform the same or substantially similar functions that they previously performed there are a list of requirements it must meet in accordance with collective bargaining agreements, length of service etc. If the county employees are covered under the Wisconsin Retirement System (WRS) the family care district must adopt a resolution to be included under the WRS. If the county employees are covered by a retirement system established by the county (currently only Milwaukee) there are various retirement requirements which it must meet.

A family care district must adhere to the open records laws, except that the family care district may exchange confidential information about a client, without the client's informed consent, with a county department of social services, human services, developmental disabilities services or community programs or with a resource center or a CMO, if those entities are within the jurisdiction of the family care district and the exchange is necessary to enable performance of duties or coordinate service delivery to the client.

The family care district is also subject to the following:

- Open meeting laws
- Auditing by the Legislative Audit Bureau

- Is an employer for all purposes of the municipal employment relations laws
- All laws regulating buildings and safety
- State minimum wage and hour and family medical leave laws
- Worker compensation laws
- Is a municipality for the purpose of state retirement, health and long-term care benefits, deferred compensation plans, employee-funded reimbursement accounts and health insurance premium credits and is included as a coverage group under social security.

The family care district is eligible for the following:

- May participate in the local government pooled-investment fund
- May contract with other municipalities and with federally recognized American Indian tribes and bands in this state for the receipt or furnishing of services or the joint exercise of required or authorized powers or duties
- Is exempt from local property tax and income tax

The obligations and debts of a family care district are not the obligations or debts of the county that created the family care district.

A family care district may be dissolved by joint action of the family care district board and the county board or boards of supervisors that created the district, subject to performance of its contractual obligations and if first approved by the Secretary of the Department of Health and Family Services (DHFS). If the family care district was created by more than one county, the county boards of

supervisors must agree on the apportioning of the district's property before dissolution takes place.

### **Expansion of Pilots**

The Governor's budget authorizes the Department of Health and Family Services (DHFS) to continue contracting with counties or tribes or bands under the current pilot projects until July 1, 2001. After that date, DHFS may contract with one or more entities certified as meeting requirements for a resource center or Care Management Organization (CMO).

During the first 24 months in which a county has a contract with DHFS under which the county accepts a per person per month payment for each enrollee in the county's CMO, DHFS may not contract with another organization to operate a CMO in that county unless the county agrees in writing that at least one additional CMO is necessary or desirable, the county does not have the capacity to serve all county residents who are entitled to the family care benefit in the client group or groups that the county serves and cannot develop the capacity or the governing body of a tribe or band or the Great Lakes Inter-Tribal Council, Inc., elects to operate a CMO within the area and is certified by DHFS.

Under the Governor's budget, a county, tribe, family care district or an organization may not directly operate both a resource center and a CMO.

If a county board and, if applicable, a county executive or county administrator elect to apply to DHFS for a contract to operate a resource center, the county board may create a family care district to

apply to DHFS for a contract to operate a CMO; if the county board and county executive or administrator elect to apply for a contract to operate a CMO, the county board may create a family care district to apply for a contract to operate a resource center.

The Governor's budget authorizes a county department of social services or human services, developmental disabilities services or community programs or an aging unit authorized by the applicable county board of supervisors to apply to DHFS to operate a resource center or a CMO. The Secretary of DHFS may also, in order to facilitate the transition to the family care benefit system, grant a county limited waivers to certain COP and CIP statutes and rules promulgated under those statutes.

### **Care Facility Requirements**

The Governor's budget requires the secretary of the Department of Health and Family Services (DHFS) to certify to each county, nursing home, Community-Based Residential Facility (CBRF), adult family home and residential care apartment complex the date on which a resource center that serves the area of the county, home facility or complex is first available, with respect to specific groups of eligible individuals or for specified facilities, to provide a functional and financial screen.

Within a period of time prescribed by DHFS, if the certification has taken place, each affected nursing home, CBRF, adult family home and residential care apartment complex must inform prospective residents of the facility

about the services of a resource center, the family care benefit and the availability of a functional and financial screen to determine eligibility.

These facilities and hospitals must refer to the resource center persons who seek admission and who are aged at least 65 years or have a physical disability unless the person has received a screen for functional eligibility within the previous six months, is entering the facility only for respite care or is an enrollee of a Care Management Organization (CMO). Failure to comply with these requirements subjects the facility to an administrative forfeiture.

Current prohibitions on the admittance to nursing homes of persons without a Community Options Program (COP) or other assessment do not apply to persons for whom the Secretary of DHFS has certified that a resource center is available.

### **Council on Long Term Care**

The Governor's budget creates in the Department of Health and Family Services (DHFS) a 15-member council on long-term care that terminates on July 1, 2001. The council must assist DHFS in developing policy related to long-term care issues. The council must also review and make nonbinding recommendations to DHFS concerning the DHFS standard contract provisions for resource centers, Care Management Organizations (CMOs) and family care benefits. The council must also monitor patterns of complaints, persons on waiting lists and patterns of enrollments and disenrollments.

The Governor's budget also provides for two additional members on the current seven-member board on aging and long term care.

**BOARD ACTION:** March 12, 1999 Board of Directors: Amend to: 1) Require that the Governor and the subsequent Legislature review the finding of the 9 Family Care Pilots and based upon that take separate action on how the redesign of Wisconsin's Long-Term Care system proceed; and 2) Provide for an independent entity to review and analyze the outcomes of the 9 Pilot counties; and 3) Allow counties the option of more than one model to Pilot so that constructive comparisons can be made.

### **Outpatient Mental Health Services at Winnebago**

Item #60

Under current law Mendota and Winnebago Mental Health Institutes are operated by the Department of Health and Family Services (DHFS) to provide specialized psychiatric services, research and education. In addition, DHFS is authorized to establish a system of outpatient mental health clinic services in any institution that DHFS operates.

The county department of community programs must under contract authorize all care of most patients in the mental health institutes. DHFS may also provide outpatient services at the Winnebago Mental Health Institute to school district pupils.

The Governor's budget eliminates the explicit authorization for the Winnebago Mental Health Institute to provide outpatient mental health services for

pupils. Instead, DHFS may authorize a mental health institute to offer, when DHFS determines that community services need to be supplemented, mental health outpatient treatment and services, day programming, consultation and services in Community-Based Residential Facilities (CBRFs), that are situated on the grounds of a mental health institute.

These services may be provided only under a contract between DHFS and a county department of social services, human services or community programs, a school district or another private or public entity, to persons who are referred by the county department, school district or entity.

The services are governed by the terms of the contract or by statutes and DHFS rules that regulate facilities, govern certain mental health services and provide mental health patient rights.

If a conflict between the contract provisions and these statutes or rules arises, the services must comply with the contractual, statutory or rules provision that is most protective of the health, safety, welfare or rights of the recipient of the services, as determined by the mental health institute.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

### **COP/CIP Assessments for CBRF Admissions**

Item #61

The Community Options Program (COP) and the Community Integration Program (CIP) are administered by counties to provide long-term care

services for individuals in non-institutional settings.

Under current law a county may not use COP or CIP funds to provide services to an individual who resides in a Community-Based Residential Facility (CBRF) unless, prior to admission to the CBRF, the individual has received an assessment of their functional abilities, disabilities and need for medical and social long-term community support services.

Current law also requires a CBRF, prior to admitting an individual, to prepare a statement of financial condition for the individual if the individual intends to pay for residence in the facility from private funds. The statement of financial condition must estimate a date, if any, by which the individual's assets and other private funding would be depleted if the individual were to reside continuously in the CBRF. If that date is less than 24 months after the date of the statement of financial condition, the CBRF must provide the statement to the county department of social services.

The Governor's budget allows a county, in accordance with guidelines established by DHFS, to waive the requirement that an individual receive a functional assessment prior to admission to the CBRF.

The Governor' budget provides that if an individual applies for admission to the CBRF on or after the effective date of the budget and the individual's statement of financial condition indicates that, if the individual were to reside in the CBRF, his or her assets and other private funds would be depleted within 12 months, a CBRF is required to refer him

or her to the county department of human services to determine whether an assessment should be conducted.

BOARD ACTION: March 12, 1999  
Board of Directors: Support.

### **Fifth Standard**

Item #62

Current law provides for five standards of dangerousness for involuntary civil commitments.

The standard that requires that a person, because of mental illness, either evidence the incapability of expressing an understanding of the advantages and disadvantages of and alternatives to accepting a particular medication or treatment after these have been explained to him or her or evidence substantial incapability of applying an understanding of those advantages, disadvantages and alternatives to his or her medication or treatment. The person also must evidence a substantial probability as demonstrated by both his or her treatment history and recent acts or omissions, that he or she needs care or treatment to prevent further disability or deterioration. Lastly, the person must evidence a substantial probability that he or she will, if left untreated, lack services necessary for his or her health or safety and suffer mental, emotional or physical harm that will result in either the loss of his or her ability to function independently in the community or the loss of cognitive or volitional control over his or her thoughts or actions.

This standard is commonly referred to as the "fifth standard." The "fifth standard" is set to sunset on December 1,

2002. The Governor's budget eliminates that sunset date.

BOARD ACTION: March 12, 1999  
Board of Directors: Support.

### **Intergovernmental Transfer Program for Milwaukee General Relief Program**

Item #63

Under current law, Milwaukee County operates a general assistance medical program funded in part with a general relief block grant.

The Governor's budget creates an intergovernmental transfer of funds from Milwaukee County to the state in an amount equal to a portion of Milwaukee County's share of the cost of providing medical services to certain low-income persons.

DHFS would be required to distribute those funds to health care providers who have contracted with Milwaukee County to provide the health services to those low-income persons.

This structure is designed to qualify the state for additional Medical Assistance (MA) moneys from the federal government to be used for supplemental payments to the health care providers.

BOARD ACTION: March 12, 1999  
Board of Directors: Support.

**Active Treatment Funds for Residents of Institutions for Mental Diseases**

Item #64

Under current law, the Department of Health and Family Services (DHFS) provides, from General Purpose Revenues (GPR), funding through county departments of community programs for mental health treatment services for persons who are in or relocated from facilities that have been found by the federal Health Care Financing Administration (HCFA) to be Institutions for Mental Disease (IMD).

Also under current law, every person who applies for admission to a nursing home or to an IMD must be screened to determine if the person has a developmental disability or mental illness and, if so, whether the person needs facility care and active treatment for the developmental disability or mental illness.

The Governor's budget requires DHFS to provide funding from GPR, as a part of mental health treatment services for persons in or relocated from IMD's, for active treatment for mental illness for a person in the facility who has been determined, through screening, to have mental illness and to need treatment.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Support.

**Transfer of MA Funds to COP**

Item #65

Under current law, the Department of Health and Family Services (DHFS) must annually submit to the Joint Committee on Finance (JCF) a report on

nursing home bed utilization by Medical Assistance (MA) recipients for the previous year.

If the report indicates that the utilization has decreased, DHFS must include a proposal to transfer funds from the MA GPR appropriation account to the Community Options Program (COP) appropriation account for expenditure for noninstitutional long-term support services.

The Governor's budget limits the transfer of funds from the MA GPR appropriation account to the COP appropriation account to an amount that would not reduce the MA appropriation account balance below the amount necessary to ensure that the appropriation account will end the current fiscal year or the current fiscal biennium with a positive balance.

The Governor's budget also requires that the proposal that DHFS must annually provide to JCF concerning nursing home bed utilization also include a discussion and detailed projection of the likely balances, expenditures, encumbrances and carry over of currently appropriated amounts in the MA appropriation accounts of GPR and federal moneys.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.

**Wisconsin Works (W-2)**

Item #66

**W-2 Contracts**

Under current law, the Department of Workforce Development (DWD) was required to award initial contracts to administer W-2 to counties or tribal



governing bodies that elected to administer W-2 and that met performance standards under the former Aid to Families with Dependent Children (AFDC) program.

The Governor's budget modifies the contract provision to direct DWD to award subsequent contracts to W-2 agencies that met the performance standards during the immediately preceding contract period.

### **Collections**

The Governor's budget permits DWD to recover overpaid AFDC or W-2 benefit amounts from former benefit recipients by issuing a warrant directed to the clerk of circuit court. The clerk of circuit court must enter the name of the person mentioned in the warrant and the amount for which the warrant is issued in the judgement and lien docket. Once entered, the warrant is considered a perfected lien upon the person's right, title and interest in all real and personal property. DWD may then file an execution commanding the sheriff of any county in which property of the person is found to collect and sell sufficient property to pay the amount stated in the warrant.

The Governor's budget also allows DWD to collect the overpaid AFDC or W-2 benefits by levy upon any property of the person to whom the benefits were paid. A debtor who refuses to surrender property that is subject to a levy is liable for up to 25% of the amount of the debt.

The Governor's budget also sets forth the process for serving the levy and releasing the levy.

### **Asset limit**

Under current law, an individual is eligible for W-2 if the W-2 group which the individual is a member meets certain income and asset limits and the individual meets certain other criteria. Currently the individual remains eligible until the W-2 group's assets exceed the income limit for at least two consecutive months.

Under the Governor's budget, an individual remains eligible for W-2 until the W-2 group's assets are expected to exceed the asset limit for at least two consecutive months, as is currently the case with respect to the W-2 groups income.

### **Educational Assessments**

The Governor's budget requires a W-2 agency to assess the educational needs of an individual whom the W-2 agency proposes to place in unsubsidized employment or a trial job.

If the W-2 agency determines that the individual needs basic education, such as courses leading to the granting of the equivalent of a high school diploma, and if the individual wishes to pursue the basic education, the W-2 agency must make basic education a part of an employability plan that the W-2 agency develops for the individual. The W-2 agency is required to pay for the basic education services.

### **Partial Community Service Jobs**

Under current law, with certain limited exceptions, a participant in the W-2 program may be required to work in a community service job (CSJ) for not

more than 30 hours per week and to participate in education or training activities for not more than ten hours per week.

The W-2 agency pays the participant a monthly grant of \$673 minus \$5.15 for each hour of required work or education or training that the participant misses without good cause. If the W-2 agency requires fewer than 30 hours of work per week because the participant has part-time unsubsidized employment, the grant amount may also be reduced by an amount equal to the product of \$5.15 and the difference between 30 and the number of hours that the participant is required to work.

The Governor's budget specifies that if a W-2 agency places a person in a CSJ for fewer than 30 hours per week because that person has part-time unsubsidized employment, the W-2 agency may reduce the monthly grant in accordance with a schedule developed by DWD by rule.

### **Child Care Costs**

Under current law, DWD reimburses child care providers or distributes funds to counties for child care services provided for low-income persons under the W-2 child care subsidy program. Currently, of the funds distributed, not more than 5% or \$20,000 whichever is greater, may be used for administrative expenses.

The Governor's budget provides that not more than 5% of the funds distributed in the current year, 5% of the funds distributed in the previous year or \$20,000, whichever is greatest may be used for administrative expenses.

### **Kinship Care Entitlement**

Under current law, a county department of human services or social services or DHFS (Milwaukee County) *must* make payments in the amount of \$215 per month to a relative of a child who is providing care and maintenance for the child if certain conditions are met.

Under the Governor's budget, a county department of human services or social services or DHFS *may* make those payments if certain conditions are met. The Governor's budget also provides that, notwithstanding fulfillment of the conditions of eligibility for the receipt of kinship care or long-term kinship care payments, a kinship care or long-term kinship care relative who is providing care and maintenance for a child is not entitled to receive those payments.

**BOARD ACTION:** March 12, 1999  
Board of Directors: Monitor.