

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-SB55)**

Received: 06/21/2001

Received By: **kenneda**

Wanted: As time permits

Identical to LRB:

For: Assembly Republican Caucus 7-4887

By/Representing: **Hughes**

This file may be shown to any legislator: NO

Drafter: **kenneda**

May Contact: **LFB**

Addl. Drafters:

Subject: **Public Assistance - med. assist.**

Extra Copies: **ISR**

Submit via email: NO

Requester's email:

**Pre Topic:**

ARC:.....Hughes -

**Topic:**

AM22--Nursing home labor regions; MA reimbursement

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	kenneda 06/24/2001	jdye 06/25/2001	kfollet 06/25/2001	_____	lrb_docadmin 06/25/2001		
/2	kenneda 06/25/2001	jdye 06/25/2001	rschluet 06/26/2001	_____	lrb_docadmin 06/26/2001		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/3	kenneda 06/28/2001	jdyer 06/28/2001	rschluet 06/28/2001	_____	lrb_docadmin 06/28/2001		

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*Handwritten notes:*  
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 1/3

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Page 2

**LRBb1413**

FE Sent For:

**<END>**

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/1	kenneda 06/24/2001	jdye 06/25/2001	kfollet 06/25/2001	_____	lrb_docadmin 06/25/2001		

*1/2 6/25 jld*  
*6-26-01*  
*86 P3*

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1?	kenneda	1/6/25 jld	ky 6/25	bl/self 6/25			

FE Sent For:

<END>

# Memorandum

H

To: Fred Ammerman – Fiscal Bureau  
Cathlene Hanaman – Reference Bureau

CC: Heather Smith – Assembly Republican Caucus

From: Paul Tessmer – Assembly Republican Caucus

Date: 06/21/01

Re: ARC Amendments – Passed 6-20-01

Please find enclosed copies of the budget amendments passed by the Assembly Republicans in Caucus on Tuesday, June 20, 2001. The amendments are provided in the following four areas:

- The Health Care Working Group Package. Associated freestanding amendments incorporated in this package are also provided. Contact Carolyn Hughes (ARC) at 7-4887.
- The Agriculture Working Group Package. Associated freestanding amendments incorporated in this package are also provided. Contact Mark Jefferson (ARC) at 7-0900.
- The Higher Education Working Group Package. Associated freestanding amendments incorporated in this package are also provided. Contact Jim Emerson (ARC) at 7-0904.
- Other Freestanding Amendments. Contact the ARC analyst listed on the amendment at 6-1452.

**NOTE: The Working Group Package document takes precedence over its associated freestanding amendments.** Please call the contact person listed above (or the ARC analyst listed on the amendment) for supporting documentation.

**Hard copies of the Working Group Packages are also being sent to your office. The hard copies may contain supporting documentation not included in the Word document.**

I am also available to help answer questions at 4-8587.

### 32. Nursing Home Labor Regions:

DAK Delete Joint Finance and Governor's provisions and request the Department of Health and Family Services, with representatives from the nursing home industry and organized labor, to develop a new, comprehensive labor region plan.

The Department is then required to submit this proposal to the Joint Committee on Finance on or before September 1, 2001. The committee shall have a 14-day passive review of the proposal.

### 33. Feasibility Study on WIC:

ISR Change the date of completion on the feasibility study on WIC from January 1, 2003 from January 1, 2002.

### 34. Private Employer Health Care Coverage Program (PEHCCP)

JJK, RAC Program Background:

The Private Employer Health Care Coverage Program created in 1999 Act 9, was based primarily on the Health Insurance Plan of California (the HIPC). It is worth noting that the California program has been an overwhelming success. It currently has over 140,000 participants. The average business group size is ten employees and the average new business enrollee size is five employees. It is fully privatized and a second pool has been created by insurance agents to compete with the original pool.

It is also important to note that when HIPC was created it was part of a broad re-write of California small employer health insurance regulations intended to stabilize insurance rates, increase competition in the insurance market, and increase the number of insured individuals in the state. Humana (formerly Employer's Health Insurance of Wisconsin) was the third party administrator and marketer of the program in California. Another Wisconsin firm, Electronic Data Systems (EDS) also administers the California Healthy Start Program.

Finally, without exception, everyone we have consulted with regarding pooling programs around the country strongly recommended that to the greatest extent possible the standards and rules in the overall small employer market be identical to those inside the small employer pool.

Technical Changes to the Program:

The primary reason the pool is not up and running is a provision in 1999 Act 9, which required the private administrator to secure contracts with insurers. The prospective administrators have not typically done this and did not wish to. We are transferring responsibility for contracting with insurers to ETF. We are also making several smaller technical changes to the program including not requiring agent's commissions to be published on the front page of the policies sold through the pool (this is not done in the market now but would have been required by Act 9).

Redefining "Eligible Employee":

Currently, the language under s. 40.98(1)(c), which was included in 1999 Act 9, defines "employee" within the pool. This draft deletes this language and insert in its place the definition of "eligible employee" currently used in the small business insurance market under s. 632.745(5)(a) in order to keep the pool consistent with the outside market.



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRBb1413/1

DAK:.....

D-NOTE

JLD

ARC:.....Hughes - AM22—Nursing home labor regions; MA reimbursement

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 622, line 14: delete lines 14 to 21. ✓

3 2. Page 1338, line 20: after that line insert:

4 <sup>13d</sup>  
5 ~~(1)~~ PLAN FOR REGIONAL LABOR COST VARIATIONS FOR NURSING HOME  
6 REIMBURSEMENT. For purposes of determining medical assistance reimbursement for  
7 allowable direct care costs for facilities with respect to adjustments for regional labor  
8 cost variations under section 49.45 (6m) (ar) 1. a. ✓ of the statutes, the department of  
9 health and family services, together with representative of the nursing home  
10 industry and organized labor, shall develop a comprehensive plan that specifies  
varying regions of the ✓ state of Wisconsin with respect to labor costs for nursing home

1 staff. The department of health and family services shall submit the plan, by  
2 December 1, 2001, to the joint committee on finance<sup>✓</sup> for review. If the cochairpersons  
3 of the joint committee on finance do not notify the secretary of health and family  
4 services within 14<sup>✓</sup> working days after the date on which the plan is submitted that  
5 the committee intends to schedule a meeting to review the <sup>plan</sup>~~proposal~~, the department  
6 of health and family services shall implement the plan in adjusting standards for  
7 medical assistance reimbursement of allowable direct care costs for facilities under  
8 section 49.45 (6m) (ar) 1. a.<sup>✓</sup> of the statutes. If, within 14 working days after the date  
9 on which the plan is submitted, the cochairpersons of the committee notify the  
10 secretary of health and family services that the committee intends to schedule a  
11 meeting to review the plan,<sup>✓</sup> the department of health and family services may  
12 implement the plan only upon approval by the committee.”<sup>✓</sup>

13

(END)

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBb1413/1dn

DAK:.....

date

Jld

To Carolyn Hughes:

I have changed the deadline date for submittal by DHFS of the plan to the joint committee on finance to December 1, 2001, rather than September 1, 2001, as proposed, because the September date might be so soon that it would pose an impossibility for DHFS, depending on when the biennial budget bill is published. Please review.

Debora A. Kennedy  
Managing Attorney  
Phone: (608) 266-0137  
E-mail: debora.kennedy@legis.state.wi.us

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBb1413/1dn  
DAK:jld:kjf

June 25, 2001

To Carolyn Hughes:

I have changed the deadline date for submittal by DHFS of the plan to the joint committee on finance to December 1, 2001, rather than September 1, 2001, as proposed, because the September date might be so soon that it would pose an impossibility for DHFS, depending on when the biennial budget bill is published. Please review.

Debora A. Kennedy  
Managing Attorney  
Phone: (608) 266-0137  
E-mail: [debora.kennedy@legis.state.wi.us](mailto:debora.kennedy@legis.state.wi.us)



D-NOTE

ARC:.....Hughes - AM22—Nursing home labor regions; MA reimbursement  
FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION  
**CAUCUS ASSEMBLY AMENDMENT**  
**TO ASSEMBLY SUBSTITUTE AMENDMENT 1,**  
**TO 2001 SENATE BILL 55**

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 622, line 14: delete lines 14 to 21.

3 **2.** Page 1338, line 20: after that line insert:

4 “(13d) PLAN FOR REGIONAL LABOR COST VARIATIONS FOR NURSING HOME  
5 REIMBURSEMENT. For purposes of determining medical assistance reimbursement for  
6 allowable direct care costs for facilities with respect to adjustments for regional labor  
7 cost variations under section 49.45 (6m) (ar) 1. a. of the statutes, the department of  
8 health and family services, together with representative of the nursing home  
9 industry and organized labor, shall develop a comprehensive plan that specifies  
10 varying regions of the state of Wisconsin with respect to labor costs for nursing home

September

1 staff. The department of health and family services shall submit the plan, by  
 2 ~~December~~ 1, 2001, to the joint committee on finance for review. If the cochairpersons  
 3 of the joint committee on finance do not notify the secretary of health and family  
 4 services within 14 working days after the date on which the plan is submitted that  
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 10 secretary of health and family services that the committee intends to schedule a  
 11 meeting to review the plan, the department of health and family services may  
 12 implement the plan only upon approval by the committee.”.

(END)

or by the first day of the 2<sup>nd</sup> month  
 beginning after the effective date  
 of this subsection, whichever is  
 earlier,

D-NOTE

To Carolyn Hughes:

This redraft changes the date by which  
DHFS must submit the plan to <sup>the</sup> joint committee  
on finance to be September 1, 2001, or the  
first day of the 2nd month beginning after  
publication of 2001 Senate Bill 55, whichever  
is earlier.

DAK

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRBb1413/2dn  
DAK:jld:rs

June 26, 2001

To Carolyn Hughes:

This redraft changes the date by which DHFS must submit the plan to the joint committee on finance to be September 1, 2001, or the first day of the 2nd month beginning after publication of 2001 Senate Bill 55, whichever is earlier.

Debora A. Kennedy  
Managing Attorney  
Phone: (608) 266-0137  
E-mail: [debora.kennedy@legis.state.wi.us](mailto:debora.kennedy@legis.state.wi.us)



TODAY  
State of Wisconsin  
2001 - 2002 LEGISLATURE

LRBb1413/3  
DAK:jld:rs

D-NOTE

ARC:.....Hughes - AM22—Nursing home labor regions; MA reimbursement

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

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2 September 1, 2001, or by the first day of the 2nd month beginning after the effective  
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13 of health and family services may implement the plan only upon approval by the  
14 committee.”.

(END)

later ✓

D-NOTE

D-NOTE

This redraft corrects the date for submittal of  
the <sup>regional</sup> ~~regional~~ labor cost plan to be by September  
1, 2001, or the first day of the 2nd month beginning  
after publication of the biennial budget bill,  
whichever is later. (I)

DAK

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRBb1413/3dn  
DAK:jld:cmh

June 28, 2001

This redraft corrects the date for submittal of the regional labor cost plan to be by September 1, 2001, or the first day of the 2nd month beginning after publication of the biennial budget bill, whichever is *later*.

Debora A. Kennedy  
Managing Attorney  
Phone: (608) 266-0137  
E-mail: [debora.kennedy@legis.state.wi.us](mailto:debora.kennedy@legis.state.wi.us)

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15 (END)