1 **SECTION 941.** 48.975 (3) (a) 1. of the statutes is amended to read:

2 48.975 **(3)** (a) 1. Except as provided in subd. 3., for support of a child who was
3 in foster care or subsidized guardianship care immediately prior to placement for
4 adoption, the department shall determine the initial amount of adoption assistance
5 for maintenance ~~shall be equivalent to~~ based on the circumstances of the adoptive
6 family and the needs of the child. That amount may not exceed the amount of ~~that~~
7 the child's foster care or subsidized guardianship care payment at the time that the
8 agreement under sub. (4) (a) is signed ~~or a lesser amount if agreed to by the proposed~~
9 ~~adoptive parents and specified in that agreement~~.

10 **SECTION 942.** 48.975 (3) (a) 2. of the statutes is amended to read:

11 48.975 **(3)** (a) 2. Except as provided in subd. 3., for support of a child not in foster
12 care or subsidized guardianship care immediately prior to placement for adoption,
13 the department shall determine the initial amount of adoption assistance for
14 maintenance ~~shall be equivalent to~~ based on the circumstances of the adoptive family
15 and the needs of the child. That amount may not exceed the uniform foster care rate
16 applicable to the child that is in effect at the time that the agreement under sub. (4)
17 (a) is signed ~~or a lesser amount if agreed to by the proposed adoptive parents and~~
18 ~~specified in that agreement~~.

19 **SECTION 944.** 48.977 (3r) of the statutes is amended to read:

20 48.977 **(3r)** SUBSIDIZED GUARDIANSHIP. Subsidized guardianship payments
21 under s. 48.623 (1) may not be made to a guardian of a child unless a subsidized
22 guardianship agreement under s. 48.623 (2) is entered into before the guardianship
23 order is granted and the court either terminates any order specified in sub. (2) (a) or
24 dismisses any proceeding in which the child has been adjudicated in need of
25 protection or services as specified in sub. (2) (a). If a child's permanency plan calls

for placement of the child in the home of a guardian and the provision of monthly subsidized guardianship payments to the guardian, the petitioner under sub. (4) (a) shall include in the petition under sub. (4) (b) a statement of the determinations made under s. 48.623 (1) and a request for the court to include in the court's findings under sub. (4) (d) a finding confirming those determinations. If the court confirms those determinations, appoints a guardian for the child under sub. (2), and either terminates any order specified in sub. (2) (a) or dismisses any proceeding in which the child is adjudicated to be in need of protection or services as specified in sub. (2) (a), the county department or, ~~in a county having a population of 750,000 or more,~~ as provided in s. 48.623 (3) (a), the department shall provide monthly subsidized guardianship payments to the guardian under s. 48.623 (1).

SECTION 945. 48.981 (3) (c) 5m. of the statutes is amended to read:

48.981 **(3)** (c) 5m. ~~If the~~ The county department or, in a county having a population of 500,000 or more, the department or a licensed child welfare agency under contract with the department ~~determines~~ may include in a determination under subd. 4. a determination that a specific person has abused or neglected a child~~,~~. If the county department, department, or licensed child welfare agency~~, within 15~~ makes an initial determination that a specific person has abused or neglected a child, the county department, department, or licensed child welfare agency shall provide that person with an opportunity for a review of that initial determination in accordance with rules promulgated by the department before the county department, department, or licensed child welfare agency may make a final determination that the person has abused or neglected a child. Within 5 days after the date of ~~the~~ a final determination~~,~~ that a specific person has abused or neglected a child, the county department, department, or licensed child welfare agency shall

notify the person in writing of the determination, the person's right to ~~appeal~~ a contested case hearing on the determination under ch. 227, and the ~~procedure~~ procedures under sub. 5p. by which the person may ~~appeal the determination, and the person may appeal the determination in accordance with the procedures established by the department under this subdivision. The department shall promulgate rules establishing procedures for conducting an appeal under this subdivision. Those procedures shall include a procedure permitting an appeal~~ receive that hearing.

5p. A person who is the subject of a final determination under subd. 5m. that the person has abused or neglected a child has the right to a contested case hearing on that determination under ch. 227. To receive that hearing, the person must send to the department a written request for a hearing under s. 227.44 within 10 days after the date of the notice under subd. 5m. of the determination. The department shall commence the hearing within 90 days after receipt of the request for the hearing, unless the hearing is rescheduled on the request of the person requesting the hearing or the contested case proceeding is held in abeyance as provided in this subdivision, and shall issue a final decision within 60 days after the close of the hearing. Judicial review of the final administrative decision following the hearing may be had by any party to the contested case proceeding as provided in ch. 227. The person presiding over a contested case proceeding under this subdivision ~~to be held~~ may hold the hearing in abeyance pending the outcome of any criminal proceedings or any proceedings under s. 48.13 based on the alleged abuse or neglect or the outcome of any investigation that may lead to the filing of a criminal complaint or a petition under s. 48.13 based on the alleged abuse or neglect.

SECTION 945c. 48.981 (3) (c) 5r. of the statutes is amended to read:

48.981 **(3)** (c) 5r. ~~If~~ Within 15 days after a final determination is made under subd. 5m. that a specific person has abused or neglected a child or, if a contested case hearing is held on such a determination, within 15 days after a final decision is made under subd. 5p. determining that a specific person has abused or neglected a child, the county department or, in a county having a population of 500,000 or more, the department or a licensed child welfare agency under contract with the department ~~determines under subd. 4. that a specific person has abused or neglected a child, the county department, department, or licensed child welfare agency, within 15 days after the date of the determination,~~ shall provide the subunit of the department that administers s. 48.685 with information about the person who has been determined to have abused or neglected the child.

SECTION 945w. 48.981 (7) (a) 3. of the statutes is amended to read:

48.981 **(7)** (a) 3. ~~An attending physician~~ A health care provider, as defined in s. 146.81 (1) (a) to (p), for purposes of diagnosis and treatment.

SECTION 946. 48.982 (4) (b) (intro.) of the statutes is renumbered 48.982 (4) (b) and amended to read:

48.982 **(4)** (b) A grant may be awarded only to an organization that agrees to match ~~the grant~~ at least 25 percent of the amount received, through money or in-kind services~~, as follows:~~.

SECTION 947. 48.982 (4) (b) 1. of the statutes is repealed.

SECTION 948. 48.982 (4) (b) 2. of the statutes is repealed.

SECTION 951. 49.131 (2) of the statutes is amended to read:

49.131 **(2)** ~~If the necessary authorization under sub. (1) is granted, and except as provided in sub. (3)~~ Subject to receiving any necessary approval from the appropriate federal agency under sub. (1), and subject to sub. (3m), the department

may implement a program to deliver by an electronic benefit transfer system any benefit that is administered by the department ~~and that the department designates by rule~~.

SECTION 952. 49.131 (3) of the statutes is repealed.

SECTION 952m. 49.131 (3m) of the statutes is created to read:

49.131 **(3m)** Prior to implementing, and receiving funding for implementing, any program to deliver by electronic means Wisconsin Works benefits or child care subsidies under s. 49.155, the department shall submit a plan for implementation to the joint committee on finance. Any plan submitted by the department shall include specific information on the vendor selected, the total start–up and ongoing costs, and how issues of fraud and program integrity will be addressed. If the department submits a plan and the cochairpersons of the committee do not notify the department within 14 working days after the date that the department submits the plan that the committee has scheduled a meeting for the purpose of reviewing the plan, the plan may be implemented and the department shall receive the necessary funding. If, within 14 working days after the date that the department submits a plan, the cochairpersons notify the department that the committee has scheduled a meeting for the purpose of reviewing the plan, the plan may be implemented, and funding received, only upon approval of the committee.

SECTION 953. 49.137 (4) (a) of the statutes is amended to read:

49.137 **(4)** (a) Developing and recommending to the department a system of higher ~~reimbursement~~ payment rates or a program of grants for child care providers that meet the quality of care standards established under s. 49.132 (4) (e), 1995 stats.

SECTION 954. 49.141 (1) (n) of the statutes is amended to read:

49.141 **(1)** (n) "Trial employment match program job" means a work component of Wisconsin ~~works~~ Works administered under s. 49.147 (3).

SECTION 955. 49.143 (2) (a) 2. of the statutes is amended to read:

49.143 **(2)** (a) 2. Identify and encourage employers to provide permanent jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 956. 49.143 (2) (a) 3. of the statutes is amended to read:

49.143 **(2)** (a) 3. Create, and encourage others to create, subsidized jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 957. 49.143 (2) (a) 4. of the statutes is amended to read:

49.143 **(2)** (a) 4. Create, and encourage others to create, on–the–job training sites for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 958. 49.143 (2) (a) 5. of the statutes is amended to read:

49.143 **(2)** (a) 5. Foster and guide the entrepreneurial efforts of participants who are eligible for trial employment match program jobs or community service jobs.

SECTION 959. 49.143 (2) (a) 6. of the statutes is amended to read:

49.143 **(2)** (a) 6. Provide mentors, both from its membership and from recruitment of members of the community, to provide job–related guidance, including assistance in resolving job–related issues and the provision of job leads or references, to persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 960. 49.143 (2) (ct) of the statutes is repealed.

SECTION 961. 49.143 (2r) of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

49.143 **(2r)** JOB PROGRAMS. A Wisconsin Works agency shall collaborate with the local workforce development board to connect individuals seeking employment with employment opportunities, including the trial ~~job~~ employment match program under s. 49.147 (3).

SECTION 962. 49.147 (1) of the statutes is amended to read:

49.147 **(1)** DEFINITION. In this section, "unsubsidized employment" means employment, including self–employment and entrepreneurial activities, for which the ~~Wisconsin Works agency provides no wage subsidy to the~~ employer ~~including self–employment and entrepreneurial activities~~ receives no wage subsidy.

SECTION 963. 49.147 (1m) (b) of the statutes is amended to read:

49.147 **(1m)** (b) If the Wisconsin Works agency determines that the appropriate placement for an individual is in unsubsidized employment or a trial employment match program job and that the individual needs and wishes to pursue basic education, including a course of study meeting the standards established under s. 115.29 (4) (a) for the granting of a declaration of equivalency of high school graduation, the Wisconsin Works agency shall pay for the basic education services identified in the employability plan developed for the individual.

SECTION 964. 49.147 (2) (am) 2. of the statutes is amended to read:

49.147 **(2)** (am) 2. A Wisconsin Works agency shall, every 30 days, review the provision of case management services to an individual under this paragraph, if the individual is not successful in obtaining unsubsidized employment after legitimate efforts to secure employment, to determine whether the individual should be placed in a trial employment match program job, community service job, or transitional

placement. The department shall promulgate rules that specify the criteria for the review process under this subdivision.

SECTION 965. 49.147 (3) (title) of the statutes is amended to read:

49.147 **(3)** (title) TRIAL ~~JOBS~~ EMPLOYMENT MATCH PROGRAM.

SECTION 966. 49.147 (3) (a) of the statutes is amended to read:

49.147 **(3)** (a) *Administration.* A Wisconsin Works agency shall administer a trial ~~job~~ employment match program as part of its administration of the Wisconsin Works program to improve the employability of individuals who ~~are not~~ otherwise are not able to obtain unsubsidized employment, as determined by the Wisconsin Works agency, by providing work experience and training to assist them to move promptly into unsubsidized employment. In determining an appropriate placement for a participant, a Wisconsin Works agency shall give priority to placement under this subsection over placements under subs. (4) and (5).

(ac) *Employer subsidies and reimbursements.* The Wisconsin Works agency shall pay ~~a wage subsidy~~ to an employer that employs a participant under this subsection ~~and that agrees to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy is terminated. The wage subsidy may not exceed $300 per month for full-time employment of a participant. For less than full-time employment of a participant during a month, the wage subsidy may not exceed a dollar amount determined by multiplying $300 by a fraction, the numerator of which is the number of hours worked by the participant in the month and the denominator of which is the number of hours that would be required for full-time employment in that month.~~ a wage subsidy in an amount that is negotiated between the Wisconsin Works agency and the employer but that is not less than the state or federal minimum wage that applies to the participant. The

wage subsidy shall be paid for each hour that the participant actually works, up to a maximum of 40 hours per week. In addition to paying the wage subsidy, the Wisconsin Works agency may, as negotiated between the Wisconsin Works agency and the employer, reimburse the employer for all or a portion of other costs that are attributable to the employment of the participant, including any of the following:

SECTION 967. 49.147 (3) (ac) 1. of the statutes is created to read:

49.147 **(3)** (ac) 1. Federal social security and Medicare taxes.

SECTION 968. 49.147 (3) (ac) 2. of the statutes is created to read:

49.147 **(3)** (ac) 2. State and federal unemployment contributions or taxes.

SECTION 969. 49.147 (3) (ac) 3. of the statutes is created to read:

49.147 **(3)** (ac) 3. Worker's compensation insurance premiums.

SECTION 970. 49.147 (3) (am) of the statutes is amended to read:

49.147 **(3)** (am) *Education or training activities.* A trial employment match program job includes education and training activities, as prescribed by the employer as an integral part of work performed in ~~the~~ trial ~~job~~ employment match program employment.

SECTION 971. 49.147 (3) (c) of the statutes is amended to read:

49.147 **(3)** (c) *Time-limited participation.* A participant under this subsection may participate in a trial employment match program job for a maximum of ~~3~~ 6 months, with an opportunity for a 3-month extension under circumstances determined by the Wisconsin Works agency. A participant may participate in more than one trial employment match program job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension of the 24-month limit on a case-by-case basis if the

1 participant has made all appropriate efforts to find unsubsidized employment and
2 has been unable to find unsubsidized employment because local labor market
3 conditions preclude a reasonable job opportunity for that participant, as determined
4 by a Wisconsin Works agency and approved by the department.

5 **SECTION 972.** 49.147 (3) (d) of the statutes is created to read:

6 49.147 **(3)** (d) *Employer effort to retain, refer, or evaluate participant.* An
7 employer that employs a participant under this subsection and receives a wage
8 subsidy shall agree to make a good faith effort to retain the participant as a
9 permanent unsubsidized employee after the wage subsidy ends, although nothing in
10 this subsection requires an employer to retain a participant as a permanent
11 unsubsidized employee after the wage subsidy ends. An employer shall also agree
12 that, if the employer does not retain a participant as a permanent unsubsidized
13 employee, the employer will serve as an employment reference for the participant or
14 provide to the Wisconsin Works agency a written performance evaluation of the
15 participant, including recommendations for improvements.

16 **SECTION 973.** 49.147 (3) (e) of the statutes is created to read:

17 49.147 **(3)** (e) *Noncustodial parents.* Notwithstanding s. 49.145 (1) and (2) (a),
18 an individual who would be eligible for a job under this subsection except that the
19 individual is a noncustodial parent of a dependent child is eligible for placement
20 under this subsection, subject to s. 49.159 (1) (b) 2., if the individual is eligible for
21 services and benefits under s. 49.159 (1) (a).

22 **SECTION 974.** 49.147 (3m) of the statutes is repealed.

23 **SECTION 975.** 49.147 (4) (a) of the statutes is amended to read:

24 49.147 **(4)** (a) *Administration.* A Wisconsin ~~works~~ Works agency shall
25 administer a community service job program as part of its administration of

Wisconsin ~~works~~ Works to improve the employability of an individual who is not otherwise able to obtain employment, as determined by the Wisconsin ~~works~~ Works agency, by providing work experience and training, if necessary, to assist the individual to move promptly into unsubsidized public or private employment or a trial employment match program job. In determining an appropriate placement for a participant, a Wisconsin ~~works~~ Works agency shall give placement under this subsection priority over placements under sub. (5). Community service jobs shall be limited to projects that the department determines would serve a useful public purpose or projects the cost of which is partially or wholly offset by revenue generated from such projects. After each 6 months of an individual's participation under this subsection and at the conclusion of each assignment under this subsection, a Wisconsin ~~works~~ Works agency shall reassess the individual's employability.

SECTION 976. 49.147 (4) (b) of the statutes is amended to read:

49.147 **(4)** (b) *Time–limited participation.* An individual may participate in a community service job for a maximum of 6 months, with an opportunity for a 3–month extension under circumstances approved by the department. An individual may participate in more than one community service job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension to the 24–month limit on a case–by–case basis if the Wisconsin Works agency determines that the individual has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable employment opportunity in unsubsidized employment for that participant, as determined by a Wisconsin Works agency and approved by the

department, and if the Wisconsin Works agency determines, and the department agrees, that no trial employment match program job opportunities are available in the specified local labor market.

SECTION 977. 49.147 (4m) of the statutes is repealed.

SECTION 978. 49.147 (5) (a) 3. of the statutes is amended to read:

49.147 **(5)** (a) 3. The Wisconsin ~~works~~ Works agency determines that the individual is incapable of performing a trial employment match program job or community service job.

SECTION 979. 49.147 (6) (b) 2. of the statutes is repealed.

SECTION 980. 49.147 (6) (c) of the statutes is amended to read:

49.147 **(6)** (c) ~~*Distribution*~~ *Funding and administration.* From the ~~appropriation~~ appropriations under s. 20.437 (2) (jL) and (md), the department shall ~~distribute~~ allocate funds for job access loans to ~~a~~ Wisconsin Works ~~agency~~ agencies, which shall administer the loans in accordance with rules promulgated by the department.

SECTION 981. 49.147 (6) (e) of the statutes is created to read:

49.147 **(6)** (e) *Noncustodial parents.* Notwithstanding s. 49.145 (1) and (2) (a), an individual who would be eligible for a job access loan under par. (a) except that the individual is a noncustodial parent of a dependent child is eligible to receive a job access loan under this subsection.

SECTION 982. 49.148 (1) (a) of the statutes is amended to read:

49.148 **(1)** (a) *Trial employment match program jobs.* For a participant in a trial employment match program job, the amount established in the contract between the Wisconsin ~~works~~ Works agency and the trial employment match program job employer, but not less than minimum wage for every hour actually worked in the

trial employment match program job, not to exceed 40 hours per week paid by the employer. Hours spent participating in education and training activities under s. 49.147 (3) (am) shall be included in determining the number of hours actually worked.

SECTION 983. 49.148 (1) (b) 1. of the statutes is amended to read:

49.148 **(1)** (b) 1. Except as provided in subd. 1m., for a participant in a community service job under s. 49.147 (4), a monthly grant of $653~~, paid by the Wisconsin Works agency~~. For every hour that the participant misses work or education or training activities without good cause, the grant amount shall be reduced by $5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse. If a participant in a community service job under s. 49.147 (4) is required to work fewer than 30 hours per week because the participant has unsubsidized employment, as defined in s. 49.147 (1), the grant amount under this paragraph shall equal the amount specified under subd. 1m. minus $5 for each hour that the participant misses work or education or training activities without good cause.

SECTION 984. 49.148 (1) (b) 1m. (intro.) of the statutes is amended to read:

49.148 **(1)** (b) 1m. (intro.) Except as provided in subd. 1., the ~~Wisconsin works agency~~ department or an entity contracting with the department shall pay a participant in a community service job the following:

SECTION 985. 49.148 (1) (b) 3. of the statutes is amended to read:

49.148 **(1)** (b) 3. For a participant in a community service job who participates in technical college education under s. 49.147 (5m), a monthly grant of $653~~, paid by the Wisconsin Works agency~~. For every hour that the participant misses work or

other required activities without good cause, the grant amount shall be reduced by $5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

SECTION 986. 49.148 (1) (c) of the statutes is amended to read:

49.148 **(1)** (c) *Transitional placements.* For a participant in a transitional placement under s. 49.147 (5) or in a transitional placement and in technical college education under s. 49.147 (5m), a monthly grant of $608~~, paid monthly by the Wisconsin Works agency~~. For every hour that the participant fails to participate in any required activity without good cause, including any activity under s. 49.147 (5) (b) 1. a. to d., the grant amount shall be reduced by $5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

SECTION 987. 49.148 (1) (d) of the statutes is repealed.

SECTION 988. 49.155 (1g) (c) of the statutes is amended to read:

49.155 **(1g)** (c) Child care licensing activities~~, in the amount of at least $8,767,000 per fiscal year~~.

SECTION 989. 49.155 (1m) (a) 3r. of the statutes is created to read:

49.155 **(1m)** (a) 3r. Participate in the Transform Milwaukee Jobs program under s. 49.163.

SECTION 990. 49.155 (3) (c) of the statutes is repealed.

SECTION 991. 49.155 (3m) (a) of the statutes is amended to read:

49.155 **(3m)** (a) The department shall issue benefits directly to individuals who are eligible for subsidies under this section or pay or reimburse child care providers

1 ~~or shall distribute funds to county departments under s. 46.215, 46.22 or 46.23~~,
2 county departments or agencies, or tribal governing bodies for child care services
3 ~~provided~~ under this section ~~and~~. The department may also contract with and provide
4 grants to private nonprofit agencies that provide child care for children of migrant
5 workers. The department may pay or reimburse a Wisconsin ~~works~~ Works agency
6 for child care that the Wisconsin ~~works~~ Works agency provides to the children of
7 Wisconsin ~~works~~ Works participants and applicants or that the Wisconsin Works
8 agency arranges to meet immediate, short–term child care needs of participants
9 prior to authorization of a subsidy under sub. (1m).

10 **SECTION 992.** 49.155 (3m) (c) of the statutes is repealed.

11 **SECTION 993.** 49.155 (4) (c) of the statutes is created to read:

12 49.155 **(4)** (c) 1. Notwithstanding par. (a) and subject to subd. 2., an eligible
13 individual may receive a child care subsidy under this section for child care that is
14 provided by an out–of–state provider of child care. Notwithstanding sub. (6),
15 payments for child care services provided by an out–of–state provider under this
16 subdivision shall be based on the maximum rate applicable in the county in which
17 the eligible individual resides or on the out–of–state provider's actual rate,
18 whichever is lower.

19 2. As a condition of payment under this section for child care services provided
20 to a child of an individual who is eligible for a subsidy under this section, an
21 out–of–state provider is subject to, and shall comply with, the provisions of this
22 section, and rules promulgated under this section, that apply to a child care provider,
23 as determined by the department.

24 **SECTION 994.** 49.155 (5) of the statutes is renumbered 49.155 (5) (a) and
25 amended to read:

49.155 **(5)** (a) An individual receiving a subsidy under this section is liable for the ~~percentage of~~ difference, if any, between the cost of the child care ~~specified by the department in a printed copayment schedule. An~~ provided by the child care provider or providers selected by the individual and the subsidy amount. The department shall specify minimum or estimated copayment amounts based on family size, income level, and other factors, a schedule of which will be available in electronic form on the department's Internet site and in paper form.

(b) An individual who is under the age of 20 and ~~is~~ attending high school or participating in a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency to high school graduation may not be determined liable for more than the minimum copayment amount for the type of child care received and the number of children receiving child care.

SECTION 995. 49.155 (6) (a) of the statutes is amended to read:

49.155 **(6)** (a) ~~Subject to review and approval by the~~ The department~~, each county~~ shall establish ~~the~~ maximum ~~reimbursement rate~~ payment rates for licensed child care services provided under this section. ~~A county~~ The department shall set the ~~rate~~ rates so that at least 75% of the number of places for children within the licensed capacity of all child care providers ~~in that county~~ can be purchased ~~at or below that maximum rate~~ by eligible individuals under this section.

SECTION 996. 49.155 (6) (b) of the statutes is amended to read:

49.155 **(6)** (b) ~~Subject to review and approval by the~~ The department~~, each county~~ shall set ~~a~~ maximum ~~reimbursement rate~~ payment rates for Level I certified family child care providers for services provided to eligible individuals under this section. The maximum ~~rate~~ rates set under this paragraph may not exceed 75% of the ~~rate~~ rates established under par. (a).

SECTION 997. 49.155 (6) (c) of the statutes is amended to read:

49.155 **(6)** (c) ~~Subject to review and approval by the~~ The department~~, each county~~ shall set ~~a~~ maximum ~~reimbursement rate~~ payment rates for Level II certified family child care providers for services provided to eligible individuals under this section. The maximum ~~rate~~ rates set under this paragraph may not exceed 50% of the ~~rate~~ rates established under par. (a).

SECTION 998. 49.155 (6) (cm) of the statutes is amended to read:

49.155 **(6)** (cm) The department shall modify child care provider ~~reimbursement~~ payment rates established under pars. (a) to (c) so that ~~reimbursement~~ payment rates are lower for providers of after–school child care.

SECTION 999. 49.155 (6) (d) of the statutes is amended to read:

49.155 **(6)** (d) The department may promulgate rules to establish a system of rates or a program of grants ~~that the department will pay to~~ for child care providers that meet the higher quality of care standards established by rules promulgated under sub. (1d) (b). If a system of rates is established under this paragraph, the rates under that system shall be higher than the rates established under pars. (a) to (c).

SECTION 1000. 49.155 (6) (e) 2. of the statutes is amended to read:

49.155 **(6)** (e) 2. Except as provided in subd. 3., the department may not increase the maximum ~~reimbursement~~ payment rates for child care providers before June 30, 2013.

SECTION 1001. 49.155 (6) (e) 3. (intro.) of the statutes is amended to read:

49.155 **(6)** (e) 3. (intro.) ~~Beginning on July 1, 2012, the~~ The department may modify a child care provider's ~~reimbursement~~ payment rate under subd. 2. on the basis of the provider's quality rating, as described in the quality rating plan, in the following manner:

SECTION 1002. 49.155 (6) (e) 3. a. of the statutes is amended to read:

49.155 **(6)** (e) 3. a. For a child care provider who receives a 1–star rating, the department shall deny ~~reimbursement~~ payment.

SECTION 1003. 49.155 (6) (e) 3. b. of the statutes is amended to read:

49.155 **(6)** (e) 3. b. For a child care provider who receives a 2–star rating, the department may reduce the maximum ~~reimbursement~~ payment rate by up to 5 percent.

SECTION 1004. 49.155 (6) (e) 3. c. of the statutes is amended to read:

49.155 **(6)** (e) 3. c. For a child care provider who receives a 3–star rating, the department may pay up to the maximum ~~reimbursement~~ payment rate.

SECTION 1005. 49.155 (6) (e) 3. d. of the statutes is amended to read:

49.155 **(6)** (e) 3. d. For a child care provider who receives a 4–star rating, the department may increase the maximum ~~reimbursement~~ payment rate by up to 5 percent.

SECTION 1006. 49.155 (6) (e) 3. d. of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

49.155 **(6)** (e) 3. d. For a child care provider who receives a 4–star rating, the department may increase the maximum payment rate by up to ~~5~~ 10 percent.

SECTION 1007. 49.155 (6) (e) 3. e. of the statutes is amended to read:

49.155 **(6)** (e) 3. e. For a child care provider who receives a 5–star rating, ~~the department may increase the maximum reimbursement rate by up to 10 percent, except that beginning on January 1, 2013,~~ the department may increase the maximum ~~reimbursement~~ payment rate for such a child care provider by up to 25 percent.

SECTION 1008. 49.155 (6) (e) 5. of the statutes is amended to read:

49.155 **(6)** (e) 5. For purposes of modifying ~~reimbursement~~ payment rates under subd. 3., the department shall assign a child care provider that is accredited from the Council on Accreditation a 4–star rating or 5–star rating, whichever the department determines is appropriate.

SECTION 1009. 49.155 (6d) (a) 2. of the statutes is amended to read:

49.155 **(6d)** (a) 2. ~~Notwithstanding~~ Subject to sub. (5) (b), increase the copayment amount that an individual must pay toward the cost of child care received under this section.

SECTION 1010. 49.155 (6d) (a) 3. of the statutes is amended to read:

49.155 **(6d)** (a) 3. Notwithstanding sub. (6), adjust the amount of ~~reimbursement paid~~ payment to child care providers providing child care services under this section.

SECTION 1011. 49.155 (6g) (am) (intro.) of the statutes is amended to read:

49.155 **(6g)** (am) (intro.) If ~~reimbursement~~ payment to a child care provider is based on authorized hours of child care, the department shall do all of the following with respect to establishing and adjusting the number of authorized hours per child:

SECTION 1012. 49.155 (7) (title) of the statutes is amended to read:

49.155 **(7)** (title) REFUSAL ~~TO PAY~~ OF PAYMENT TO CHILD CARE PROVIDERS.

SECTION 1013. 49.155 (7) (a) 1. of the statutes is amended to read:

49.155 **(7)** (a) 1. If a child care provider is convicted of a serious crime, as defined in s. 48.685 (1) (c) 3m., or if a caregiver specified in s. 48.685 (1) (ag) 1. a. or a nonclient resident, as defined in s. 48.685 (1) (bm), of the child care provider is convicted or adjudicated delinquent for committing a serious crime on or after his or her 12th birthday, the department or the county department under s. 46.215, 46.22, or 46.23 shall refuse to ~~pay~~ allow payment to the child care provider for any child care

provided under this section beginning on the date of the conviction or delinquency adjudication.

SECTION 1014. 49.155 (7) (b) (intro.) of the statutes is amended to read:

49.155 **(7)** (b) (intro.) The department or the county department under s. 46.215, 46.22, or 46.23 may refuse to ~~pay~~ allow payment to a child care provider for child care provided under this section if any of the following applies to the child care provider or to a caregiver specified in s. 48.685 (1) (ag) 1. a. or nonclient resident, as defined in s. 48.685 (1) (bm), of the child care provider:

SECTION 1015. 49.159 (1) of the statutes is renumbered 49.159 (1) (a) (intro.) and amended to read:

49.159 **(1)** (a) (intro.) An individual who would be eligible under s. 49.145 except that the individual is the noncustodial parent of a dependent child~~,~~ is eligible for services and benefits under ~~this subsection if the dependent child's custodial parent is a participant and~~ par. (b) if the individual is subject to a child support order~~.~~ ~~The Wisconsin works agency may provide job search assistance and case management designed to enable eligible noncustodial parents to obtain and retain employment.~~ and any of the following applies to the custodial parent of the dependent child:

SECTION 1016. 49.159 (1) (a) 1. of the statutes is created to read:

49.159 **(1)** (a) 1. The custodial parent is receiving case management services under s. 49.147 (2) (am).

SECTION 1017. 49.159 (1) (a) 2. of the statutes is created to read:

49.159 **(1)** (a) 2. The custodial parent is participating in a Wisconsin Works employment position.

SECTION 1018. 49.159 (1) (a) 3. of the statutes is created to read:

1 49.159 **(1)** (a) 3. The custodial parent is receiving a grant under s. 49.148 (1m).

2 **SECTION 1019.** 49.159 (1) (a) 4. of the statutes is created to read:

3 49.159 **(1)** (a) 4. The custodial parent is receiving a subsidy for child care for
4 the dependent child under s. 49.155.

5 **SECTION 1020.** 49.159 (1) (b) of the statutes is created to read:

6 49.159 **(1)** (b) A Wisconsin Works agency may provide to an individual who is
7 eligible under par. (a) any of the following services or benefits:

8 1. Job search assistance and case management designed to enable the
9 individual to obtain and retain employment.

10 2. Placement in one job under s. 49.147 (3).

11 3. A stipend in an amount determined by the Wisconsin Works agency for not
12 more than 4 months. A stipend under this subdivision terminates if the individual
13 is placed in a job under s. 49.147 (3) or obtains unsubsidized employment, as defined
14 in s. 49.147 (1).

15 **SECTION 1021.** 49.161 (1) (title) of the statutes is amended to read:

16 49.161 **(1)** (title) TRIAL EMPLOYMENT MATCH PROGRAM JOBS OVERPAYMENTS.

17 **SECTION 1022.** 49.163 of the statutes is created to read:

18 **49.163 Transform Milwaukee Jobs program. (1)** DEFINITIONS. In this
19 section:

20 (a) "Wisconsin Works" has the meaning given in s. 49.141 (1) (p).

21 (b) "Wisconsin Works employment position" has the meaning given in s. 49.141
22 (1) (r).

23 **(2)** ELIGIBILITY FOR PROGRAM. (a) The department shall establish a Transform
24 Milwaukee Jobs program in Milwaukee County. To be eligible to participate in the
25 program, an individual must satisfy all of the following criteria:

1. Be at least 18 years of age.

2. If over 24 years of age, be a biological or adoptive parent of a child under 18 years of age whose parental rights to the child have not been terminated or be a relative and primary caregiver of a child under 18 years of age.

3. Have an annual household income that is below 150 percent of the poverty line.

4. Be unemployed for at least 4 weeks.

5. Be ineligible to receive unemployment insurance benefits.

6. Not be participating in a Wisconsin Works employment position.

(b) For purposes of par. (a) 3., the household income of an individual transitioning from foster care to independent living shall be based on the individual's own income over a period determined by the department and shall not include the household income of the individual's foster parents.

(c) The department may establish additional eligibility criteria consistent with its mission and the funding available.

(3) PROGRAM DESCRIPTION. (a) The program under this section shall include all of the following features and requirements:

1. An individual may participate in the program for a maximum of 1,040 hours actually worked.

2. The department shall determine and specify in a contract whether a contractor under sub. (4) or an employer is the individual's employer of record. The employer of record shall pay the individual for hours actually worked at not less than the federal or state minimum wage that applies to the individual.

3. The department may reimburse an employer, or a contractor under sub. (4), that employs an individual participating in the program for a minimum of 20 hours

per week at a location in this state for any of the following costs that are attributable to the employment of the individual under the program:

a. A wage subsidy equal to the amount of wages that the employer or contractor pays to the individual for hours actually worked, not to exceed 40 hours per week at the federal or state minimum wage that applies to the individual.

b. Federal social security and Medicare taxes.

c. State and federal unemployment contributions or taxes, if any.

d. Worker's compensation insurance premiums, if any.

4. An employer, or, subject to the approval of the department, a contractor under sub. (4), that employs an individual participating in the program may pay the individual an amount that exceeds any wage subsidy paid to the employer or contractor by the department under subd. 3. a.

5. The employment of an individual under this section may not do any of the following:

a. Have the effect of filling a vacancy created by an employer terminating a regular employee or otherwise reducing its work force for the purpose of hiring an individual under this section.

b. Fill a position when any other person is on layoff or strike from the same or a substantially equivalent job within the same organizational unit.

c. Fill a position when any other person is engaged in a labor dispute regarding the same or a substantially equivalent job within the same organizational unit.

(b) The department may set priorities for the program consistent with its mission and available funding.

(4) CONTRACT FOR ADMINISTRATION. The department may contract with any person to administer the program under this section, including a Wisconsin Works

1 agency; county department under s. 46.215, 46.22, or 46.23; local workforce
2 development board established under 29 USC 2832; or community action agency
3 under s. 49.265. The department, or the agency or agencies with which the
4 department contracts under this subsection, shall do all of the following:
5 (a) Determine the eligibility of applicants for the program.
6 (b) Provide, or identify employers to provide, jobs for individuals transitioning
7 to unsubsidized employment from unemployment, underemployment, limited work
8 history, foster care, or other circumstances identified by the department.
9 (c) Conduct job orientation activities.
10 (d) Provide employment services, as specified by the department, for program
11 participants.
12 (e) Maintain and update participant demographic, eligibility, and employment
13 records in the manner required by the department.
14 **(5)** RECOVERY OF OVERPAYMENTS. (a) The department may recover from any
15 individual participating, or who has participated, in the program under this section
16 any overpayment resulting from a misrepresentation by the individual as to any
17 criterion for eligibility under sub. (2) (a).
18 (b) The department shall recover from a contractor under sub. (4) any
19 overpayment resulting from the failure of the contractor to comply with the terms
20 of the contract or to meet performance standards established by the department.
21 **(6)** RULES NOT REQUIRED. Notwithstanding s. 227.10 (1), the department need
22 not promulgate regulations, standards, or policies related to implementing or
23 administering the program under this section as rules under ch. 227.
24 **SECTION 1023.** 49.165 (1) (d) (intro.) of the statutes is amended to read:

49.165 **(1)** (d) (intro.) "Organization" means a nonprofit corporation~~,~~ or a public agency ~~or a federally recognized American Indian tribe or band~~ that provides or proposes to provide any of the following domestic abuse services:

SECTION 1024. 49.173 of the statutes is repealed.

SECTION 1025. 49.175 (1) (a) of the statutes is amended to read:

49.175 **(1)** (a) *Wisconsin Works benefits.* For Wisconsin Works benefits, ~~$74,650,100~~ $82,014,000 in fiscal year ~~2011–12~~ 2013–14 and ~~$72,131,500~~ $72,696,000 in fiscal year ~~2012–13~~ 2014–15.

SECTION 1026. 49.175 (1) (b) of the statutes is amended to read:

49.175 **(1)** (b) *Wisconsin Works ~~administration~~ agency contracts; job access loans.* For ~~administration of Wisconsin Works performed under~~ contracts with Wisconsin Works agencies under s. 49.143~~, $10,107,200~~ and for job access loans under s. 49.147 (6), $57,586,500 in fiscal year ~~2011–12~~ 2013–14 and ~~$10,107,200~~ $58,336,500 in fiscal year ~~2012–13~~ 2014–15.

SECTION 1027. 49.175 (1) (f) of the statutes is repealed.

SECTION 1028. 49.175 (1) (g) of the statutes is amended to read:

49.175 **(1)** (g) *State administration of public assistance programs and overpayment collections.* For state administration of public assistance programs and the collection of public assistance overpayments, ~~$12,918,900~~ $12,697,100 in fiscal year 2013–14 and $12,812,700 in ~~each~~ fiscal year 2014–15.

SECTION 1029. 49.175 (1) (i) of the statutes is amended to read:

49.175 **(1)** (i) *Emergency assistance.* For emergency assistance under s. 49.138 and for transfer to the department of administration for low–income energy or weatherization assistance programs, ~~$6,200,000 in fiscal year 2011–12 and $6,000,000~~ $7,500,000 in each fiscal year ~~2012–13~~.

SECTION 1030. 49.175 (1) (k) of the statutes is created to read:

49.175 **(1)** (k) *Transform Milwaukee Jobs program.* For contract costs under the Transform Milwaukee Jobs program under s. 49.163, $3,750,000 in fiscal year 2013–14 and $5,000,000 in fiscal year 2014–15.

SECTION 1031. 49.175 (1) (L) of the statutes is repealed.

SECTION 1032. 49.175 (1) (p) of the statutes is amended to read:

49.175 **(1)** (p) *Direct child care services.* For direct child care services under s. 49.155, ~~$301,631,000~~ $271,400,200 in fiscal year ~~2011–12~~ 2013–14 and ~~$298,523,500~~ $274,734,000 in fiscal year ~~2012–13~~ 2014–15.

SECTION 1033. 49.175 (1) (q) of the statutes is amended to read:

49.175 **(1)** (q) *Child care state administration and ~~child care~~ licensing activities.* For state administration of child care programs under s. 49.155 and ~~the allocation under s. 49.155 (1g) (c)~~ for child care licensing activities, ~~$19,702,100~~ $29,719,000 in fiscal year ~~2011–12~~ 2013–14 and ~~$19,783,800~~ $31,799,500 in fiscal year ~~2012–13~~ 2014–15.

SECTION 1034. 49.175 (1) (qm) of the statutes is amended to read:

49.175 **(1)** (qm) *Quality care for quality kids.* For the child care quality improvement activities specified in s. 49.155 (1g), ~~$13,486,700 in fiscal year 2011–12 and $13,169,400~~ $13,095,800 in each fiscal year ~~2012–13~~.

SECTION 1035. 49.175 (1) (r) of the statutes is amended to read:

49.175 **(1)** (r) *Children of recipients of supplemental security income.* For payments made under s. 49.775 for the support of the dependent children of recipients of supplemental security income, ~~$31,232,200~~ $33,688,000 in each fiscal year.

SECTION 1036. 49.175 (1) (s) of the statutes is amended to read:

49.175 **(1)** (s) *Kinship care~~,~~ and long–term kinship care~~, and foster care~~ assistance.* For kinship care and long–term kinship care payments under s. 48.57 (3m) (am) and (3n) (am), for assessments to determine eligibility for those payments, and for agreements under s. 48.57 (3t) with the governing bodies of Indian tribes for the administration of the kinship care and long–term kinship care programs ~~under s. 48.57 (3m), (3n), and (3p) and for foster care for relatives under s. 48.62,~~ ~~$21,375,800~~ within the boundaries of the reservations of those tribes, $20,335,200 in ~~each~~ fiscal year 2013–14 and $20,774,400 in fiscal year 2014–15.

SECTION 1037. 49.175 (1) (t) of the statutes is amended to read:

49.175 **(1)** (t) *Safety and out–of–home placement services.* For services provided ~~in counties having a population of 500,000 or more~~ to ensure the safety of children who the department or a county determines may remain at home if appropriate services are provided, and for ~~ongoing~~ services provided ~~in those counties~~ to families with children placed in out–of–home care, ~~$6,350,300~~ $7,711,100 in each fiscal year.

SECTION 1038. 49.175 (1) (v) of the statutes is repealed.

SECTION 1038m. 49.175 (1) (w) of the statutes is created to read:

49.175 **(1)** (w) *Wisconsin Community Services.* For a grant to Wisconsin Community Services for the community building workshop facilitator training to provide services that are targeted to individuals in the city of Milwaukee who are eligible for funds under the federal Temporary Assistance for Needy Families block grant program under 42 USC 601 et seq., $400,000 in each fiscal year.

SECTION 1039. 49.175 (1) (z) of the statutes is amended to read:

49.175 **(1)** (z) *Grants to the Boys and Girls Clubs of America.* For grants to the Wisconsin Chapter of the Boys and Girls Clubs of America to fund programs that improve social, academic, and employment skills of youth who are eligible to receive

temporary assistance for needy families under 42 USC 601 et seq., ~~$350,000~~ focusing on study habits, intensive tutoring in math and English, and exposure to career options and role models, $1,250,000 in fiscal year 2013–14 and $1,100,000 in ~~each~~ fiscal year 2014–15. Grants provided under this paragraph may not be used by the grant recipient to replace funding for programs that are being funded, when the grant proceeds are received, with moneys other than those from the appropriations specified in sub. (1) (intro.). The total amount of the grants for fiscal year 2013–14 includes $25,000 for the greater Wisconsin Rapids Area Boys and Girls Club to fund the Cranberry Science, Technology, Engineering, and Mathematics program and, if the program provides $125,000 in matching funds, $125,000 for the Green Bay Boys and Girls Clubs for the BE GREAT: Graduate program, to be used only for activities for which federal Temporary Assistance for Needy Families block grant moneys may be used.

SECTION 1040. 49.175 (1) (zh) of the statutes is amended to read:

49.175 **(1)** (zh) *Earned income tax credit supplement.* For the transfer of moneys from the appropriation account under s. 20.437 (2) (md) to the appropriation account under s. 20.835 (2) (kf) for the earned income tax credit, ~~$43,664,200~~ $62,500,000 in each fiscal year.

SECTION 1040g. 49.19 (5) (d) of the statutes is repealed.

SECTION 1041. 49.26 (1) (g) (intro.) of the statutes is amended to read:

49.26 **(1)** (g) (intro.) An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) or who is a recipient of aid under s. 49.19 is subject to the school attendance requirement under par. (ge) if all of the following apply:

SECTION 1042. 49.26 (1) (h) 1s. b. of the statutes is amended to read:

49.26 **(1)** (h) 1s. b. An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) and who fails to meet the school attendance requirement under par. (ge) is subject to a monthly sanction.

SECTION 1043. 49.36 (2) of the statutes is amended to read:

49.36 **(2)** The department may contract with any county, tribal governing body, or Wisconsin Works agency to administer a work experience and job training program for parents who are not custodial parents and who fail to pay child support or to meet their children's needs for support as a result of unemployment or underemployment. The program may provide the kinds of work experience and job training services available from the program under s. 49.193, 1997 stats., or s. 49.147 (3)~~, (3m),~~ or (4). The program may also include job search and job orientation activities. The department shall fund the program from the appropriations under s. 20.437 (2) (dz) and (k).

SECTION 1043p. 49.45 (2) (a) 2m. of the statutes is created to read:

49.45 **(2)** (a) 2m. Beginning on January 1, 2014, employ at least one full–time equivalent, certified medical coder to improve payment accuracy for all services provided under the Medical Assistance program.

SECTION 1043s. 49.45 (2m) (f) 3. of the statutes is amended to read:

49.45 **(2m)** (f) 3. An updated projection of the total Medical Assistance program benefit expenditures during the fiscal biennium and an analysis of how these projected expenditures compare to the funding provided in the ~~2011–13~~ <u>most recent</u> biennial budget act.

SECTION 1043t. 49.45 (2n) of the statutes is created to read:

1 49.45 **(2n)** REPORT ON MEDICAL ASSISTANCE PROGRAM CHANGES AND FINANCES. (a)
2 In this subsection, "Medical Assistance program" includes any program operated
3 under this subchapter, demonstration program operated under 42 USC 1315, and
4 program operated under a waiver of federal law relating to medical assistance that
5 is granted by the federal department of health and human services.

6 (b) Before January 1, 2015, and every 90 days thereafter, the department shall
7 submit to the joint committee on finance a report that contains all of the following
8 information:

9 1. An updated description of any Medical Assistance program changes
10 implemented by the department, including any amendments to the Medical
11 Assistance state plan.

12 2. An updated estimate of the projected savings associated with any changes
13 described under subd. 1.

14 3. An updated projection of the total Medical Assistance program benefit
15 expenditures during the fiscal biennium and an analysis of how these projected
16 expenditures compare to the funding provided in the most recent biennial budget act.

17 **SECTION 1044.** 49.45 (4m) (a) 3. of the statutes is renumbered 49.45 (4m) (a)
18 3. (intro.) and amended to read:

19 49.45 **(4m)** (a) 3. (intro.) "Financial institution" ~~has the meaning given in 12~~
20 ~~USC 3401 (1).~~ means any of the following:

21 **SECTION 1045.** 49.45 (4m) (a) 3. a. to f. of the statutes are created to read:

22 49.45 **(4m)** (a) 3. a. A depository institution, as defined in 12 USC 1813 (c).

23 b. An institution–affiliated party, as defined in 12 USC 1813 (u), of a depository
24 institution under subd. 3. a.

c. A federal credit union, as defined in 12 USC 1752, or state credit union, as defined in 12 USC 1752.

d. An institution–affiliated party, as defined in 12 USC 1786 (r), of a credit union under subd. 3. c.

e. A benefit association, insurance company, safe deposit company, money market mutual fund, or similar entity authorized to do business in this state.

f. A broker–dealer, as defined in s. 551.102 (4).

SECTION 1045c. 49.45 (6m) (ar) 1. a. of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

49.45 **(6m)** (ar) 1. a. The department shall establish standards for payment of allowable direct care costs under par. (am) 1. bm., for facilities that do not primarily serve the developmentally disabled, that take into account direct care costs for a sample of all of those facilities in this state and separate standards for payment of allowable direct care costs, for facilities that primarily serve the developmentally disabled, that take into account direct care costs for a sample of all of those facilities in this state. The standards shall be adjusted by the department for regional labor cost variations. The department shall treat as a single labor region the counties of Dane, Dodge, Iowa, Columbia, Richland, Sauk, and Rock and shall adjust payment so that the direct care cost targets of facilities in Dane, Iowa, Columbia, and Sauk counties are not reduced as a result of including facilities in Dodge, Richland, and Rock Counties in this labor region. For facilities in Douglas, Dunn, Pierce, and St. Croix counties, the department shall perform the adjustment by use of the wage index that is used by the federal department of health and human services for hospital reimbursement under 42 USC 1395 to 1395ggg.

SECTION 1046. 49.45 (23) (a) of the statutes is amended to read:

49.45 **(23)** (a) The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to conduct a demonstration project to provide health care coverage ~~for basic primary and preventive care~~ to adults who are under the age of 65, who have family incomes not to exceed ~~200~~ 100 percent of the poverty line before application of the 5 percent income disregard under 42 CFR 435.603 (d) and except as provided in s. 49.471 (4m), and who are not otherwise eligible for medical assistance under this subchapter, the Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395 et seq. If the department creates a policy under sub. (2m) (c) 10., this paragraph does not apply to the extent that it conflicts with the policy.

SECTION 1047. 49.45 (23) (a) of the statutes, as affected by 2011 Wisconsin Act 32 and 2013 Wisconsin Act .... (this act), is repealed and recreated to read:

49.45 **(23)** (a) The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to conduct a demonstration project to provide health care coverage to adults who are under the age of 65, who have family incomes not to exceed 100 percent of the poverty line before application of the 5 percent income disregard under 42 CFR 435.603 (d) and except as provided in s. 49.471 (4m), and who are not otherwise eligible for medical assistance under this subchapter, the Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395 et seq.

SECTION 1048. 49.45 (23) (b) of the statutes is amended to read:

49.45 **(23)** (b) If the waiver is granted and in effect, the department may promulgate rules defining the health care benefit plan, including more specific eligibility requirements and cost–sharing requirements. Unless otherwise provided by the department by a policy created under sub. (2m) (c), cost sharing may include

an annual enrollment fee, which may not exceed $75 per year. Notwithstanding s. 227.24 (3), the plan details under this subsection may be promulgated as an emergency rule under s. 227.24 without a finding of emergency. If the waiver is granted and in effect, the demonstration project under this subsection shall begin ~~on January 1, 2009, or~~ on the effective date of the waiver~~, whichever is later~~.

SECTION 1049. 49.45 (23) (b) of the statutes, as affected by 2011 Wisconsin Act 32 and 2013 Wisconsin Act .... (this act), is repealed and recreated to read:

49.45 **(23)** (b) If the waiver is granted and in effect, the department may promulgate rules defining the health care benefit plan, including more specific eligibility requirements and cost–sharing requirements. Cost sharing may include an annual enrollment fee, which may not exceed $75 per year. Notwithstanding s. 227.24 (3), the plan details under this subsection may be promulgated as an emergency rule under s. 227.24 without a finding of emergency. If the waiver is granted and in effect, the demonstration project under this subsection shall begin on the effective date of the waiver.

SECTION 1050. 49.45 (23) (c) of the statutes is created to read:

49.45 **(23)** (c) In addition to cost–sharing requirements established under par. (b), a childless adult who is eligible to receive benefits under this section; who is not disabled, pregnant, or American Indian, as Indian is defined in 42 CFR part 447, subpart A; and whose family income exceeds 133 percent of the poverty line shall pay a premium for coverage under the program under this subsection in an amount determined by the department that is based on a formula in which costs decrease for those with lower family incomes and that is no less than 3 percent of family income but no greater than 9.5 percent of family income.

SECTION 1051. 49.45 (23) (d) of the statutes is created to read:

1 49.45 **(23)** (d) In determining income for purposes of eligibility under this
2 subsection, the department shall apply s. 49.471 (7) (d) to the individual to the extent
3 the federal department of health and human services approves, if approval is
4 required.

5 **SECTION 1052.** 49.45 (23) (e) of the statutes is created to read:

6 49.45 **(23)** (e) The department shall apply the definition of family income under
7 s. 49.471 (1) (f) and the regulations defining household under 42 CFR 435.603 (f) to
8 determinations of income for purposes of eligibility under this subsection.

9 **SECTION 1053.** 49.45 (23) (f) of the statutes is created to read:

10 49.45 **(23)** (f) The department may provide services to individuals who are
11 eligible under this subsection through a medical home initiative under sub. (24j).

12 **SECTION 1054.** 49.45 (24j) of the statutes is created to read:

13 49.45 **(24j)** MEDICAL HOME PILOT PROJECTS. (a) The department may administer
14 the medical home initiative as a service delivery mechanism to provide and
15 coordinate care for individuals who are eligible for a Medical Assistance program
16 under this subchapter that provides services under a fee–for–service model. The
17 department may administer a medical home initiative to serve individuals who are
18 members of any of the following populations:

19 1. Children who are in out–of–home care or are receiving adoption assistance
20 under 42 USC 670 to 679c.

21 2. Pregnant women.

22 3. Individuals who are exiting mental health facilities or correctional facilities.

23 4. Individuals with a diagnosis of serious mental illness or substance abuse
24 disorder.

25 5. Adults with two or more chronic medical conditions.

6. Other groups of individuals with conditions that the department determines would benefit from services through a medical home.

(b) The department shall provide to individuals through any medical home initiative administered under this subsection the benefits described under s. 49.46 (2) (a) and (b). The department may provide to individuals though any medical home initiative administered under this subsection benefits in addition to the standard plan benefits that are targeted to the population receiving services through the medical home.

(c) The department may elect to administer any medical home initiative under this subsection in a limited geographical area.

(d) The department may make an all–inclusive payment to the provider offering services through a medical home.

(e) If the federal department of health and human services approves the department's request to administer a medical home initiative, the department shall automatically enroll an individual who is eligible for a medical home initiative under this subsection in the medical home initiative. At any time after the first 6 months of enrollment in the medical home initiative, the individual who is enrolled in the medical home initiative may opt out of participation in the medical home initiative.

SECTION 1054j. 49.45 (25g) (c) of the statutes is amended to read:

49.45 **(25g)** (c) The department's proposal under par. (b) shall specify increases in reimbursement rates for providers that satisfy the conditions under par. (b), and shall provide for payment of a monthly per–patient care coordination fee to those providers. The department shall set the increases in reimbursement rates and the monthly per–patient care coordination fee so that together they provide sufficient incentive for providers to satisfy a condition under par. (b) 1. or 2. The proposal shall

1 specify effective dates for the increases in reimbursement rates and the monthly
2 per–patient care coordination fee that are no sooner than January 1, 2011. ~~The~~
3 ~~increases in reimbursement rates and monthly per–patient care coordination fees~~
4 ~~that are not provided by the federal government shall be paid from the appropriation~~
5 ~~under. s. 20.435 (1) (am).~~ If the department creates a policy under sub. (2m) (c) 4.,
6 this paragraph does not apply to the extent it conflicts with the policy.

7 **SECTION 1054k.** 49.45 (25g) (c) of the statutes, as affected by 2011 Wisconsin
8 Act 32 and 2013 Wisconsin Act .... (this act), is repealed and recreated to read:

9 49.45 **(25g)** (c) The department's proposal under par. (b) shall specify increases
10 in reimbursement rates for providers that satisfy the conditions under par. (b), and
11 shall provide for payment of a monthly per–patient care coordination fee to those
12 providers. The department shall set the increases in reimbursement rates and the
13 monthly per–patient care coordination fee so that together they provide sufficient
14 incentive for providers to satisfy a condition under par. (b) 1. or 2. The proposal shall
15 specify effective dates for the increases in reimbursement rates and the monthly
16 per–patient care coordination fee that are no sooner than January 1, 2011.

17 **SECTION 1056.** 49.45 (30e) (d) of the statutes is created to read:

18 49.45 **(30e)** (d) *Provision of services on regional basis.* Notwithstanding par.
19 (c) and subject to par. (e), in counties that elect to deliver the services under s. 49.46
20 (2) (b) 6. Lm. through the Medical Assistance program on a regional basis according
21 to criteria established by the department, the department shall reimburse a provider
22 of the services for the amount of the allowable charges for those services under the
23 Medical Assistance program that is provided by the federal government and for the
24 amount of the allowable charges that is not provided by the federal government.

25 **SECTION 1056b.** 49.45 (30e) (e) of the statutes is created to read:

1 49.45 **(30e)** (e) *Report; release of funds.* 1. Prior to implementing, and receiving
2 funding for implementing, the regional basis provision of services under par. (d), the
3 department shall submit to the joint committee on finance, no later than March 1,
4 2014, a request for the release of funds and a report on its proposal for
5 implementation that includes all of the following:

6 a. A description of the criteria that the department will apply in its
7 regionalization model.

8 b. A description of how the regions will be established and the degree of county
9 participation in that process.

10 c. An updated list of the counties that have indicated, by the date of the report,
11 that they will offer the services under s. 49.46 (2) (b) 6. Lm. through the Medical
12 Assistance program on a regional basis according to the criteria established by the
13 department.

14 d. An evaluation of the estimated long–term costs of the proposed regional
15 model.

16 2. If the cochairpersons of the committee do not notify the department within
17 14 working days after the date that the department submits the report and the
18 funding request that the committee has scheduled a meeting for the purpose of
19 reviewing the proposal for implementation and the funding request, the funding
20 shall be released and the department may implement its proposal for the regional
21 basis provision of services on July 1, 2014. If, within 14 working days after the date
22 that the department submits the report and the funding request, the cochairpersons
23 notify the department that the committee has scheduled a meeting for the purpose
24 of reviewing the proposal for implementation and the funding request, the funding

shall be released, and the department may implement its proposal for the regional basis provision of services, only upon approval of the committee.

SECTION 1057. 49.45 (30g) (a) 1. of the statutes is amended to read:

49.45 **(30g)** (a) 1. An approved amendment to the state medical assistance plan ~~submitted under 42 USC 1396n (i)~~ permits reimbursement for the services under s. 49.46 (2) (b) 6. Lo. in the manner provided under this subsection.

SECTION 1058. 49.45 (30g) (a) 3. of the statutes is amended to read:

49.45 **(30g)** (a) 3. The individual, the community recovery services, and the community recovery services provider meet any condition set forth in the approved amendment to the medical assistance plan ~~submitted under 42 USC 1396n (i)~~.

SECTION 1058k. 49.45 (59) (b) of the statutes is amended to read:

49.45 **(59)** (b) Health maintenance organizations shall pay all of the moneys they receive under par. (a) to eligible hospitals, as defined in s. 50.38 (1), within 15 days after receiving the moneys. The department shall specify in contracts with health maintenance organizations to provide medical assistance a method that health maintenance organizations shall use to allocate the amounts received under par. (a) among eligible hospitals based on the number of discharges from inpatient stays and the number of outpatient visits for which the health maintenance organization paid such a hospital in the previous month for enrollees who are recipients of medical assistance~~, except enrollees who receive medical assistance under s. 49.45 (23)~~. Payments under this paragraph shall be in addition to any amount that a health maintenance organization is required by agreement between the health maintenance organization and a hospital to pay the hospital for providing services to the health maintenance organization's enrollees.

SECTION 1059. 49.453 (2) (a) (intro.) of the statutes is amended to read:

1 49.453 **(2)** (a) *Institutionalized individuals.* (intro.) Except as provided in sub.
2 (8), if an institutionalized individual or his or her spouse, or another person acting
3 on behalf of the institutionalized individual or his or her spouse, transfers assets;
4 regardless of whether those assets, if retained, are excluded under 42 USC 1396p;
5 for less than fair market value on or after the institutionalized individual's look–back
6 date, the institutionalized individual is ineligible for medical assistance for the
7 following services for the period specified under sub. (3):

8 **SECTION 1060.** 49.453 (2) (b) (intro.) of the statutes is amended to read:

9 49.453 **(2)** (b) *Noninstitutionalized individuals.* (intro.) Except as provided in
10 sub. (8), if a noninstitutionalized individual or his or her spouse, or another person
11 acting on behalf of the noninstitutionalized individual or his or her spouse, transfers
12 assets; regardless of whether those assets, if retained, are excluded under 42 USC
13 1396p; for less than fair market value on or after the noninstitutionalized
14 individual's look–back date, the noninstitutionalized individual is ineligible for
15 medical assistance for the following services for the period specified under sub. (3):

16 **SECTION 1061.** 49.453 (3) (a) (intro.) of the statutes is amended to read:

17 49.453 **(3)** (a) (intro.) The period of ineligibility under this subsection begins
18 on either of the following for an applicant for Medical Assistance:

19 **SECTION 1062.** 49.453 (3) (ag) of the statutes is created to read:

20 49.453 **(3)** (ag) The period of ineligibility under this subsection for a transfer
21 of assets made at the time the individual is receiving long–term care services through
22 Medical Assistance begins on the first day of the month following the month in which
23 the individual receives advance notice of the period of ineligibility.

24 **SECTION 1063.** 49.453 (4c) (c) of the statutes is created to read:

1 49.453 **(4c)** (c) A promissory note in which the debtor is a presumptive heir of
2 the lender or in which neither the lender nor debtor has any incentive to enforce
3 repayment is considered cancelled upon the death of the lender for purposes of this
4 section.

5 **SECTION 1064.** 49.453 (8) (a) 1. of the statutes is amended to read:

6 49.453 **(8)** (a) 1. The assets are exempt under 42 USC 1396p (c) (2) (A), (B), or
7 (C). To make a satisfactory showing to the state under 42 USC 1396p (c) (2) (C) and
8 adjust the ineligibility period under sub. (3), the individual shall demonstrate that
9 all of the assets transferred for less than fair market value, or cash equal to the value
10 of the assets transferred for less than fair market, have been returned to him or her.

11 **SECTION 1065.** 49.455 (5) (title) of the statutes is amended to read:

12 49.455 **(5)** (title) RULES FOR TREATMENT OF RESOURCES; INELIGIBILITY.

13 **SECTION 1066.** 49.455 (5) (d) of the statutes is amended to read:

14 49.455 **(5)** (d) During a continuous period of institutionalization, after an
15 institutionalized spouse is determined to be eligible for medical assistance, no
16 resources of the community spouse are considered to be available to the
17 institutionalized spouse, except that a transfer of those resources or other assets by
18 the community spouse within the first 5 years of eligibility of the institutionalized
19 spouse may result in a period of ineligibility under s. 49.453 (2) and (3) for the
20 institutionalized spouse.

21 **SECTION 1067.** 49.455 (5) (e) of the statutes is created to read:

22 49.455 **(5)** (e) The department may deny to the institutionalized spouse
23 eligibility for Medical Assistance if, when requested by the department, the
24 institutionalized spouse and the community spouse do not provide the total value of

1 their assets and information on income and resources to the extent required under
2 federal Medicaid law or sign the application for Medical Assistance.

3 **SECTION 1068.** 49.455 (8) (d) of the statutes is renumbered 49.455 (8) (d) 1. and
4 amended to read:

5 49.455 **(8)** (d) 1. If either spouse establishes at a fair hearing that the
6 community spouse resource allowance determined under sub. (6) (b) 1. to 2. or 4.
7 without a fair hearing does not generate enough income to raise the community
8 spouse's income to the minimum monthly maintenance needs allowance under sub.
9 (4) (c), the department shall establish, under subd. 2., an amount to be used under
10 sub. (6) (b) 3. that results in a community spouse resource allowance that generates
11 enough income to raise the community spouse's income to the minimum monthly
12 maintenance needs allowance under sub. (4) (c).

13 3. Except in exceptional cases which would result in financial duress for the
14 community spouse, the department may not establish an amount to be used under
15 sub. (6) (b) 3. unless the institutionalized spouse makes available to the community
16 spouse the maximum monthly income allowance permitted under sub. (4) (b) or, if
17 the institutionalized spouse does not have sufficient income to make available to the
18 community spouse the maximum monthly income allowance permitted under sub.
19 (4) (b), unless the institutionalized spouse makes all of his or her income, except for
20 an amount equal to the sum of the personal needs allowance under sub. (4) (a) 1. and
21 any family allowances under sub. (4) (a) 3. paid by the institutionalized spouse and
22 the amount incurred as expenses for medical or remedial care for the
23 institutionalized spouse under sub. (4) (a) 4., available to the community spouse as
24 a community spouse monthly income allowance under sub. (4) (b).

25 **SECTION 1069.** 49.455 (8) (d) 2. of the statutes is created to read:

49.455 **(8)** (d) 2. The department shall base the amount to be used under sub. (6) (b) 3. on the cost of a single premium lifetime annuity that pays monthly amounts that, combined with other available income, raises the community spouse's income to the minimum monthly maintenance needs allowance. Any resource, regardless of whether the resource generates income, may be transferred in an amount that, combined with the community spouse resource allowance calculated before the fair hearing, provides the community spouse with sufficient funds to purchase the annuity. The community spouse is not required to purchase an annuity to obtain this amount.

SECTION 1070. 49.46 (1) (a) 15. of the statutes is amended to read:

49.46 **(1)** (a) 15. Any individual who is infected with tuberculosis and meets the income and resource eligibility requirements for the federal Supplemental Security Income program under 42 USC 1381 to 1383d. <u>For purposes of this subdivision, "income" has the meaning given for "family income" in s. 49.471 (1) (f).</u>

SECTION 1072. 49.46 (1) (c) (intro.) of the statutes is amended to read:

49.46 **(1)** (c) (intro.) Except as provided under par. (co) <u>or (cr)</u>, a family that becomes ineligible for aid to families with dependent children under s. 49.19 because of increased income from employment or increased hours of employment or because of the expiration of the time during which the disregards under s. 49.19 (5) (a) 4. or 4m. or (am) apply shall receive medical assistance for:

SECTION 1072b. 49.46 (1) (c) (intro.) and 1. (intro.) of the statutes, as affected by 2013 Wisconsin Act .... (this act), are consolidated, renumbered 49.46 (1) (c) (intro.) and amended to read:

49.46 **(1)** (c) (intro.) Except as provided under par. ~~(co) or~~ (cr), a family that becomes ineligible for aid to families with dependent children under s. 49.19 because

of increased income from employment or increased hours of employment ~~or because of the expiration of the time during which the disregards under s. 49.19 (5) (a) 4. or 4m. or (am) apply~~ shall receive medical assistance for: ~~1. Six~~ 4 calendar months, or, if required under federal law, up to 12 months, following the month in which ~~the family~~ a parent, caretaker, or dependent child of the family becomes ineligible for aid to families with dependent children if all of the following apply:

SECTION 1072d. 49.46 (1) (c) 1. a. and b. of the statutes are renumbered 49.46 (1) (c) 1g. and 1r.

SECTION 1072f. 49.46 (1) (c) 1. c. and 2. of the statutes are repealed.

SECTION 1073. 49.46 (1) (cg) of the statutes is amended to read:

49.46 **(1)** (cg) ~~Medical~~ Except as provided under par. (cr), medical assistance shall be provided to a dependent child, a relative with whom the child is living or the spouse of the relative, if the spouse meets the requirements of s. 49.19 (1) (c) 2. a. or b., for 4 calendar months beginning with the month in which the child, relative or spouse is ineligible for aid to families with dependent children because of the collection or increased collection of maintenance or support, if the child, relative or spouse received aid to families with dependent children in 3 or more of the 6 months immediately preceding the month in which that ineligibility begins.

SECTION 1073y. 49.46 (1) (co) of the statutes, as affected by 2013 Wisconsin Act .... (this act), is repealed.

SECTION 1074. 49.46 (1) (co) 1. of the statutes is amended to read:

49.46 **(1)** (co) 1. Except as provided under subd. 2. or par. (cr), medical assistance shall be provided to a family for 12 consecutive calendar months following the month in which the family becomes ineligible for aid to families with dependent children because of increased income from employment~~, because the family no longer~~

~~receives the earned income disregard under s. 49.19 (5) (a) 4. or 4m. or (am) due to the expiration of the time limit during which the disregards are applied or because of the application of the monthly employment time eligibility limitation under 45 CFR 233.100 (a) (1) (i)~~.

SECTION 1075. 49.46 (1) (co) 2. of the statutes is amended to read:

49.46 **(1)** (co) 2. If a waiver under subd. 3. is granted <u>and except as provided in par. (cr)</u>, the department may select individuals to receive medical assistance benefits as provided under par. (c), rather than under subd. 1., as a control group for part or all of the period during which the waiver is in effect.

SECTION 1076. 49.46 (1) (cr) of the statutes is created to read:

49.46 **(1)** (cr) To the extent approved by the federal department of health and human services, an individual or family described in par. (c), (cg), or (co) is not eligible for Medical Assistance if the federal department of health and human services approves a request from the department to deny all or some transitional Medical Assistance benefits to that individual or family, if approval is required. The department shall allow individuals who are receiving transitional Medical Assistance benefits on December 31, 2013, to continue to receive those benefits until their 12–month period ends, if required under federal law. If the federal department of health and human services approves the department's request to charge a premium to recipients of continued transitional Medical Assistance benefits, the department may charge a premium to any recipient of continued transitional Medical Assistance benefits whose income exceeds 100 percent of the poverty line.

SECTION 1076b. 49.46 (1) (cr) of the statutes, as created by 2013 Wisconsin Act .... (this act), is amended to read:

1 49.46 **(1)** (cr) To the extent approved by the federal department of health and
2 human services, an individual or family described in par. (c)~~,~~ <u>or</u> (cg)~~, or (co)~~ is not
3 eligible for Medical Assistance if the federal department of health and human
4 services approves a request from the department to deny all or some transitional
5 Medical Assistance benefits to that individual or family, if approval is required. The
6 department shall allow individuals who are receiving transitional Medical
7 Assistance benefits on December 31, 2013, to continue to receive those benefits until
8 their 12–month period ends, if required under federal law. If the federal department
9 of health and human services approves the department's request to charge a
10 premium to recipients of continued transitional Medical Assistance benefits, the
11 department may charge a premium to any recipient of continued transitional
12 Medical Assistance benefits whose income exceeds 100 percent of the poverty line.

13 **SECTION 1078.** 49.46 (2) (b) 19. of the statutes is created to read:

14 49.46 **(2)** (b) 19. Subject to par. (br), services provided by early intervention
15 teachers, home trainers, parent–to–parent mentors, and developmental specialists
16 to children in the benchmark plan under par. (br).

17 **SECTION 1079.** 49.46 (2) (b) 20. of the statutes is created to read:

18 49.46 **(2)** (b) 20. Subject to s. 49.45 (24j), any additional services, as determined
19 by the department, that are targeted to a population enrolled in a medical home
20 initiative under s. 49.45 (24j).

21 **SECTION 1080.** 49.46 (2) (bc) of the statutes is created to read:

22 49.46 **(2)** (bc) Subject to s. 49.45 (24j), the department may provide any of the
23 services described in par. (a) or (b) through a medical home initiative under s. 49.45
24 (24j).

25 **SECTION 1081.** 49.46 (2) (br) of the statutes is created to read:

49.46 **(2)** (br) If the federal department of health and human services approves the department's request to offer a benchmark plan under this paragraph, the department may enroll any child who is receiving services through the early intervention program under s. 51.44 in a benchmark plan under this paragraph. The department may not require a child who is receiving services through the early intervention program under s. 51.44 to enroll in a benchmark plan offered under this paragraph. The department may not charge a copayment to a child who is enrolled in the benchmark plan under this paragraph for services described in par. (b) 19.

SECTION 1085. 49.47 (4) (a) 1. of the statutes is amended to read:

49.47 **(4)** (a) 1. Under 21 years of age and resides in an intermediate care facility, skilled nursing facility, or inpatient psychiatric hospital. <u>The department shall apply the definition of family income in s. 49.471 (1) (f) to make determinations of income under this subdivision.</u>

SECTION 1088. 49.47 (4) (b) 2w. of the statutes is amended to read:

49.47 **(4)** (b) 2w. For a person who is eligible under par. (a) 3. or 4., life insurance with cash surrender values if the total face value of all life insurance policies<u>,</u> <u>including riders and other attachments,</u> is not more than $1,500.

SECTION 1089. 49.47 (4) (c) 1. of the statutes is amended to read:

49.47 **(4)** (c) 1. Except as provided in par. (am) ~~and as limited by subd. 3.~~, eligibility exists if income does not exceed 133 1/3% of the maximum aid to families with dependent children payment under s. 49.19 (11) for the applicant's family size or the combined benefit amount available under supplemental security income under 42 USC 1381 to 1383c and state supplemental aid under s. 49.77 whichever is ~~higher~~ <u>lower</u>. In this subdivision "income" includes earned or unearned income that would be included in determining eligibility for the individual or family under

s. 49.19 or 49.77, or for the aged, blind or disabled under 42 USC 1381 to 1385. "Income" does not include earned or unearned income which would be excluded in determining eligibility for the individual or family under s. 49.19 or 49.77, or for the aged, blind or disabled individual under 42 USC 1381 to 1385.

SECTION 1090. 49.47 (4) (c) 3. of the statutes is repealed.

SECTION 1090f. 49.47 (4) (k) of the statutes is amended to read:

49.47 **(4)** (k) Notwithstanding par. (b) 3. and s. 445.125 (1) (a), no later than 60 days after July 1, ~~2011~~ 2013, the department shall seek approval from the federal Centers for Medicare and Medicaid Services to permit ~~friends and family members of~~ any individual receiving medical assistance under this section to contribute funds to an irrevocable burial trust for the individual, up to a total irrevocable trust amount of $4,500, without the individual losing eligibility for medical assistance under this section. If the federal Centers for Medicare and Medicaid Services approves the request, the department shall implement the change under this section within 60 days after receiving approval.

SECTION 1091. 49.471 (1) (cm) of the statutes is created to read:

49.471 **(1)** (cm) "Disabled" means, when referring to an adult, meeting the disability standard for eligibility for federal supplemental security income under 42 USC 1382c (a) (3).

SECTION 1092. 49.471 (1) (f) of the statutes is amended to read:

49.471 **(1)** (f) "Family income" ~~means the total gross earned and unearned income received by all members of a family~~ has the meaning given for "household income" under 42 CFR 435.603 (d).

SECTION 1093n. 49.471 (2) of the statutes is amended to read:

49.471 **(2)** WAIVER AND STATE PLAN AMENDMENTS. The department shall request a waiver from, and submit amendments to the state Medical Assistance plan to, the secretary of the federal department of health and human services to implement BadgerCare Plus. If the state plan amendments are approved and a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted and in effect, the department shall implement BadgerCare Plus beginning on January 1, 2008, the effective date of the state plan amendments, or the effective date of the waiver, whichever is latest. ~~If the state plan amendments are approved but the terms of approval do not allow for federal funding of the cost of benefits for all or any part of one or more of the eligibility categories under sub. (4) (b), the department may at its discretion pay for the cost of benefits for all or any part of any group for which federal funding was denied exclusively with moneys from the appropriation under s. 20.435 (4) (b).~~ If the state plan amendments are not approved or if a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is not granted, BadgerCare Plus may not be implemented. If the state plan amendments are approved but approval is not continued or if a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted but not continued in effect, BadgerCare Plus shall be discontinued.

SECTION 1093q. 49.471 (3) (a) 1. of the statutes is amended to read:

49.471 **(3)** (a) 1. Notwithstanding ss. 49.46 (1), 49.465, 49.47 (4), and 49.665 (4), if the amendments to the state plan under sub. (2) are approved and a waiver under sub. (2) that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted and in effect, an individual described in sub. (4) (a) ~~or (b)~~ or (5) is not eligible under s. 49.46, 49.465, 49.47, or 49.665 for Medical Assistance or BadgerCare health program benefits. The eligibility of an individual described in

sub. (4) (a) ~~or (b)~~ or (5) for Medical Assistance benefits shall be determined under this section.

SECTION 1093s. 49.471 (3) (a) 3. of the statutes is amended to read:

49.471 **(3)** (a) 3. Notwithstanding subd. 1., an individual described in sub. (4) (a) ~~or (b)~~ or (5) who is eligible for medical assistance under s. 49.46 (1) (a) 5., 6m., 14., 14m., or 15. or (d) or 49.47 (4) (a) or (as) may receive medical assistance benefits under this section or under s. 49.46 or 49.47.

SECTION 1094. 49.471 (4) (a) (intro.) of the statutes is amended to read:

49.471 **(4)** (a) (intro.) Except as otherwise provided in this section, all of the following individuals are eligible for the benefits described in s. 49.46 (2) (a) and (b), subject to sub. (6) (k) and s. 49.45 (24j):

SECTION 1096. 49.471 (4) (a) 4. a. of the statutes is amended to read:

49.471 **(4)** (a) 4. a. The individual is a parent or caretaker relative of a dependent child who is living in the home with the parent or caretaker relative or who is temporarily absent from the home for not more than 6 months or, if the dependent child has been removed from the home for more than 6 months, the parent or caretaker relative is working toward unifying the family by complying with a permanency plan under s. 48.38 or 938.38. For purposes of this subdivision, a "dependent child" means an individual who is under the age of 18 or an individual who is age 18 and a full–time student in secondary school or equivalent vocational or technical training if before attaining the age of 19 the individual is reasonably expected to complete the school or training.

SECTION 1097. 49.471 (4) (a) 4. b. of the statutes is amended to read:

49.471 **(4)** (a) 4. b. Except as provided in ~~subd. 4. c.~~ sub. (4m), the individual's family income does not exceed ~~200~~ 100 percent of the poverty line ~~and does not~~

~~include self-employment income~~ before application of the 5 percent income disregard under 42 CFR 435.603 (d).

SECTION 1098. 49.471 (4) (a) 4. c. of the statutes is repealed.

SECTION 1099. 49.471 (4) (a) 5. of the statutes is amended to read:

49.471 **(4)** (a) 5. An individual who, regardless of family income, was born on or after January 1, ~~1990~~ 1988, and who, on his or her 18th birthday, was in a foster care placement under the responsibility of ~~a~~ this state, or at the option of the department, under the responsibility of another state, and enrolled in Medical Assistance under this subchapter or a Medicaid program, as determined by the department. The coverage for an individual under this subdivision ends on the last day of the month in which the individual becomes ~~21~~ 26 years of age, unless he or she otherwise loses eligibility sooner.

SECTION 1100. 49.471 (4) (a) 7. of the statutes is amended to read:

49.471 **(4)** (a) 7. Individuals who qualify for a medical assistance eligibility extension under s. 49.46 (1) (c), (cg), or (co) when their income increases above the poverty line, except as provided in s. 49.46 (1) (cr).

SECTION 1100b. 49.471 (4) (a) 7. of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

49.471 **(4)** (a) 7. Individuals who qualify for a medical assistance eligibility extension under s. 49.46 (1) (c)~~,~~ or (cg)~~, or (co)~~ when their income increases above the poverty line, except as provided in s. 49.46 (1) (cr).

SECTION 1100v. 49.471 (4) (b) (intro.) of the statutes is repealed.

SECTION 1101. 49.471 (4) (b) 1. of the statutes is renumbered 49.471 (4) (a) 1g.

SECTION 1102. 49.471 (4) (b) 1m. of the statutes is renumbered 49.471 (4) (a) 1m.