



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2015 Wisconsin Act 215**  
[2015 Senate Bill 687]

**Long-Term Care Districts**

2015 Wisconsin Act 215 (the Act) modifies statutory procedures applicable to long-term care districts (LCDs) under contract with the Department of Health Services (DHS).

### **BACKGROUND**

Under the Family Care program, the Department of Health Services (DHS) contracts with managed-care organizations (MCOs) to provide supportive home care, nursing care, vocational support, and other long-term care services. In some cases, MCOs may be operated by a LCD, which is a special-purpose district created by a county, tribe, or band, or a combination of counties, tribes, or bands.

### **2015 WISCONSIN ACT 215**

The Act authorizes certain changes to the organizational structure of an LCD participating in the Family Care program. In lieu of continuing as a special-purpose district, an LCD that is under contract with DHS may create a nonstock, nonprofit corporation under ch. 181, Stats., or a service insurance corporation under ch. 613, Stats., to provide services under Family Care. The Act provides a method for the LCD to transfer its assets and liabilities to the new corporation, including its contract with DHS, and allows the new corporation to succeed the LCD and survive its dissolution.

The Act requires LCDs creating a new corporation to submit proposed articles of incorporation to DHS for approval. Also, both DHS and the Office of the Commissioner of Insurance must approve a transfer of assets and liabilities to the corporation from the LCD.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.

The Act authorizes DHS to contract with an LCD to operate an MCO outside the geographic boundary of the county or counties that created the LCD. This is a departure from prior law, which had prevented LCDs from operating outside of their geographic area.

Finally, the Act provides that, upon the dissolution of an LCD, the property and assets of the LCD are transferred to DHS. Under prior law, the dissolution of an LCD resulted in the return of property to the county, tribe, or band, or combination of counties, tribes, or bands, that created the LCD.

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