



## 2005 ASSEMBLY BILL 771

October 20, 2005 - Introduced by Representatives SHERMAN, CULLEN, KREUSER, POPE-ROBERTS, ZEPNICK, BLACK, SINICKI, NELSON, VAN AKKEREN, YOUNG, TURNER, BOYLE, SHERIDAN, SEIDEL, BERCEAU, GRIGSBY, HEBL, POCAN, TRAVIS, MOLEPSKE, KESSLER, BENEDICT, STASKUNAS, STEINBRINK, RICHARDS, HUBLER, SHILLING, SCHNEIDER, LEHMAN, PARISI, VRUWINK, FIELDS, GRONEMUS, TOLES, COLON and WASSERMAN, cosponsored by Senators JAUCH, HANSEN, ROBSON, TAYLOR, MILLER, LASSA, ERPENBACH, WIRCH, A. LASEE, DECKER and BRESKE. Referred to Joint Committee on Finance.

1     **AN ACT to amend** 20.003 (4) (fm) and 20.003 (4) (fr) of the statutes; **relating to:**  
2             required general fund statutory balance, required general fund structural  
3             balance, increasing nursing home Medical Assistance reimbursement, and  
4             making appropriations.

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### *Analysis by the Legislative Reference Bureau*

Under current law, nursing homes that provide services to recipients of Medical Assistance (MA) receive reimbursement, under a formula, from state general purpose revenues, certain program revenues, the MA trust fund, and federal Medicaid moneys. This bill increases the state general purpose revenue appropriation by \$5,141,700 for fiscal year 2005-06 and by \$10,118,000 for fiscal year 2006-07 to provide a 1.4 percent increase in each fiscal year to the nursing home MA reimbursement rate. Under the bill, nursing homes that receive the additional reimbursement must expend at least 50 percent of the amount received for increased payment for direct care wages, fringe benefits, or hours for nursing home staff.

Current statutes contain a rule of proceeding governing legislative action on certain bills. Generally, the rule provides that no bill directly or indirectly affecting general purpose revenues may be adopted if the bill would cause the estimated general fund balance on June 30 of any fiscal year to be less than a certain amount of the total general purpose revenue appropriations for that fiscal year. For fiscal years 2005-06 and 2006-07, the amount is \$65,000,000. This bill reduces the amount for the 2005-06 fiscal year to \$60,000,000 and the amount for the 2006-07 fiscal year to \$50,000,000.

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Current statutes also contain a rule of proceeding that generally prohibits the legislature from passing bills that would cause general fund expenditures in a given fiscal year to exceed moneys deposited in the general fund in that year. This bill provides that this rule does not apply to the actions of the legislature in enacting this act for the 2006–07 fiscal year.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 20.003 (4) (fm) of the statutes, as affected by 2005 Wisconsin Act  
2 25, is amended to read:

3           20.003 (4) (fm) For fiscal year 2005–06, ~~\$65,000,000~~ \$60,000,000.

4           **SECTION 2.** 20.003 (4) (fr) of the statutes, as created by 2005 Wisconsin Act 25,  
5 is amended to read:

6           20.003 (4) (fr) For fiscal year 2006–07, ~~\$65,000,000~~ \$50,000,000.

7           **SECTION 3. Nonstatutory provisions.**

8           (1) **REQUIRED GENERAL FUND STRUCTURAL BALANCE.** Section 20.003 (4m) of the  
9 statutes shall not apply to the actions of the legislature in enacting this act for the  
10 2006–07 fiscal year.

11           (2) **FACILITY REIMBURSEMENT SUPPLEMENT; REQUIRED EXPENDITURE.** Each facility  
12 that receives increased reimbursement from the amounts appropriated under  
13 SECTION 4 (1) of 2005 Wisconsin Act .... (this act) shall expend, from the amount  
14 received, at least 50 percent for increased payment for direct care wages, fringe  
15 benefits, or hours for facility staff.

16           **SECTION 4. Appropriation changes.**

17           (1) **NURSING HOME MEDICAL ASSISTANCE REIMBURSEMENT RATE.** In the schedule  
18 under section 20.005 (3) of the statutes for the appropriation to the department of

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1 health and family services under section 20.435 (4) (b) of the statutes, as affected by  
2 the acts of 2005, the dollar amount is increased by \$5,141,700 for fiscal year 2005-06  
3 and the dollar amount is increased by \$10,118,000 for fiscal year 2006-07 to increase  
4 funding for Medical Assistance reimbursement to facilities under section 49.45 (6m)  
5 of the statutes.

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**(END)**