

1 49.45 (2) (a) 18. Conduct outreach for the early and periodic screening,  
2 diagnosis and treatment program as required under 42 CFR 441. This activity  
3 is limited to persons under ~~18~~ 21 years of age who are ~~receiving or whose~~  
4 ~~families are receiving cash payments under s. 49.19~~ have been determined to be  
5 eligible for medical assistance.

6 ••87-1800/2••SECTION 991. 49.45 (2) (a) 19 of the statutes is repealed.

7 ••87b1453/2 •• 87b1990/en••SECTION 991m. 49.45 (2) (a) 20 of the statutes  
8 is created to read:

9 49.45 (2) (a) 20. Declare a facility determined under par. (b) 6 to be an  
10 institution for mental diseases ineligible for reimbursement under s. 49.46 or  
11 49.47 for services specified under s. 49.46 (2) (dm) or 49.47 (6) (c) 4.

12 ••87-2092/4••SECTION 992. 49.45 (2) (b) 1 of the statutes is repealed and  
13 recreated to read:

14 49.45 (2) (b) 1. Direct a county department under s. 46.215, 46.22 or  
15 46.23 to perform other functions, responsibilities and services, including any  
16 functions related to health maintenance organizations, limited service health  
17 organizations and preferred provider plans.

18 ••87b1453/2 •• 87b1990/en••SECTION 992m. 49.45 (2) (b) 6 of the statutes  
19 is created to read:

20 49.45 (2) (b) 6. Conduct or contract for services to provide surveys of  
21 skilled nursing facilities and intermediate care facilities in this state that  
22 provide care to medical assistance recipients for which the facilities receive  
23 reimbursement under sub. (6m), to determine whether any facility is an insti-  
24 tution for mental diseases.

25 ••87-1293/1••SECTION 993. 49.45 (3) (am) of the statutes is created to  
26 read:

27 49.45 (3) (am) 1. From the appropriation under s. 20.435 (1) (bm), the  
28 department shall make incentive payments to counties to encourage counties to

1 identify medical assistance applicants and recipients who have other health  
2 care coverage and the providers of the health care coverage and give that  
3 information to the department.

4 2. The department shall promulgate rules governing the distribution of  
5 payments under this paragraph.

6 ••87b0576/1 •• 87b1226/2••SECTION 993b. 49.45 (3) (e) 1 and 2 of the  
7 statutes are amended to read:

8 49.45 (3) (e) 1. The department may develop, implement and periodically  
9 update methods for reimbursing or paying hospitals for allowable services,  
10 care or commodities provided a recipient. The methods may include standards  
11 and criteria for limiting any given hospital's total reimbursement or payment  
12 to that which would be provided to an economically and efficiently operated  
13 facility.

14 2. A hospital whose reimbursement or payment is determined on the basis  
15 of the methods developed and implemented under subd. 1 shall annually prepare  
16 a report of cost and other data in the manner prescribed by the department.

17 ••87b0576/1 •• 87b1226/2••SECTION 993e. 49.45 (3) (e) 3 of the statutes  
18 is created to read:

19 49.45 (3) (e) 3. The department may adopt a prospective payment system  
20 under subd. 1 which may include consideration of an average rate per diem,  
21 diagnosis-related groups or a hospital-specific prospective rate per  
22 discharge.

23 ••87b0576/1 •• 87b1226/2••SECTION 993h. 49.45 (3) (e) 4 to 10 of the  
24 statutes are amended to read:

25 49.45 (3) (e) 4. ~~Total~~ If the department maintains a retrospective reim-  
26 bursement system under subd. 1 for specific provided services or commodities,  
27 total reimbursement ~~for an entire hospital~~ for allowable services, care or  
28 commodities provided recipients during the hospital's fiscal year may not

1 exceed the lower of the hospital's charges for the services or the actual and  
2 reasonable allowable costs to the hospital of providing the services.

3 7. The daily reimbursement or payment rate to a hospital for services  
4 provided to medical assistance recipients awaiting admission to a skilled  
5 nursing home, intermediate care facility, community-based residential  
6 facility, group home, foster home or other custodial living arrangement may  
7 not exceed the maximum reimbursement or payment rate based on the average  
8 adjusted state skilled nursing facility rate, created under sub. (6m). This  
9 limited reimbursement or payment rate to a hospital commences on the date the  
10 department, through its own data or information provided by hospitals, deter-  
11 mines that continued hospitalization is no longer medically necessary or  
12 appropriate during a period where the recipient awaits placement in an alter-  
13 nate custodial living arrangement. The department may contract with a pro-  
14 fessional standards review organization, established under 42 USC 1320c to  
15 1320c-22, to determine that continued hospitalization of a recipient is no  
16 longer necessary and that admission to an alternate custodial living arrange-  
17 ment is more appropriate for the continued care of the recipient. In  
18 addition, the department may contract with a professional standards review  
19 organization to determine the medical necessity or appropriateness of physi-  
20 cian services or other services provided during the period when a hospital  
21 patient awaits placement in an alternate custodial living arrangement.

22 8. Reimbursement or payment for outpatient hospital services may not  
23 exceed reimbursement or payment for comparable services performed by providers  
24 not owned or operated by hospitals.

25 9. Hospital education and research costs that the department finds to be  
26 indirectly related to patient care are not allowable costs in establishing a  
27 hospital's reimbursement or payment rate under subd. 1.

1           10. Hospital procedures on an inpatient basis that could be performed on  
2 an outpatient basis shall be reimbursed or paid at the outpatient rate. The  
3 department shall determine which procedures this subdivision covers.

4           ••87b0360/1••SECTION 993m. 49.45 (3) (e) 11 of the statutes is repealed.

5           ••87b0516/1••SECTION 994m. 49.45 (6g) of the statutes is created to read:

6           49.45 (6g) CARE FOR PERSONS IN INSTITUTIONS FOR MENTAL DISEASES. (a)

7 Notwithstanding sub. (6m) (ag), if during the period beginning on July 1, 1987  
8 and ending on June 30, 1989, the federal health care financing administration  
9 or the department finds a skilled nursing facility or intermediate care  
10 facility in this state that provides care to medical assistance recipients for  
11 which the facility receives reimbursement under sub. (6m) to be an institution  
12 for mental diseases, as defined under 42 CFR 435.1009, the department shall  
13 transfer or credit funds from the appropriation under s. 20.435 (1) (b) to the  
14 appropriation under s. 20.435 (4) (b) for distribution to a county department  
15 under s. 51.42 until June 30, 1989, under this section at 60% of the daily  
16 medical assistance reimbursement rate under sub. (6m) of the facility, for the  
17 care of any person residing in the facility on the date of the finding whose  
18 care in the facility has been disallowed for federal financial participation.

19           (b) The county department under s. 51.42 to which funding shall be pro-  
20 vided under par. (a) is one of the following:

21           1. The county department in the county of residence of the person whose  
22 care in the facility has been disallowed for federal financial participation.

23           2. If the department is unable to determine the county of residence under  
24 subd. 1, the county department of the county in which is located the facility  
25 of which the person is a resident on the date of the finding by the federal  
26 health care financing administration or the department.

1 (c) The board under s. 51.42 (5) or, in a county with a county adminis-  
2 trator or a county executive, the director under s. 51.42 (6m) shall use funds  
3 provided under this section for one of the following purposes:

4 1. To contribute to the cost of the person's continued care in a skilled  
5 nursing facility or intermediate care facility.

6 2. To contribute to the cost of the alternative services for the person  
7 if the criteria under s. 46.266 (1) (a) to (e) are met.

8 (d) If a person who is provided services under par. (c) 2 discontinues  
9 service provision, an individual may receive services in place of the person  
10 who discontinues if that individual is aged 22 to 64, has a diagnosis of  
11 mental illness and would meet the level of care requirements for medical  
12 assistance reimbursement in a skilled nursing facility or intermediate care  
13 facility but for a finding that the facility is an institution for mental  
14 diseases, except that the total number of persons receiving services under  
15 par. (c) 2 may not exceed the number of nursing home beds closed under this  
16 section.

17 (e) Notwithstanding par. (c) 2, the department is not required to  
18 decrease the statewide nursing home bed limit under s. 150.31 to account for  
19 nursing home beds closed under this section and, notwithstanding subch. II of  
20 ch. 150, may not redistribute the nursing home beds made available by the  
21 provision of services under this section unless all of the following condi-  
22 tions are met:

23 1. Funding is appropriated by the legislature for the purpose of  
24 redistributing beds made available by the provision of services under this  
25 section.

26 2. The department promulgates rules establishing a method by which the  
27 beds under subd. 1 will be redistributed.

1       3. The joint committee on finance reviews and approves release of the  
2 funds appropriated under subd. 1.

3       ••87b1453/2 •• 87b1990/en••SECTION 994p. 49.45 (6h) of the statutes is  
4 created to read:

5       49.45 (6h) LIABILITY FOR DISALLOWANCES. If the department under sub. (2)  
6 (b) 6 or the federal health care financing administration finds a skilled  
7 nursing facility or intermediate care facility in this state that provides  
8 care to medical assistance recipients for which the facility receives reim-  
9 bursement under sub. (6m) to be an institution for mental diseases, the  
10 facility shall be liable for any retroactive federal medicaid disallowances  
11 for services provided after the date of the finding.

12       ••87b0586/3 •• 87b1226/2••SECTION 994r. 49.45 (6i) of the statutes is  
13 created to read:

14       49.45 (6i) CARE FOR PERSONS IN CERTAIN HOSPITALS. (a) In this  
15 subsection, "state share" means that portion of the medical assistance costs  
16 reimbursable to a hospital for the provision of authorized service that is not  
17 reimbursed by federal funds, unless no federal financial participation is  
18 available for these services. If no federal financial participation is  
19 available for a service which is payable under this subsection, "state share"  
20 means that portion of the costs which would be the state share if federal  
21 financial participation were available.

22       (b) If during the period beginning on July 1, 1987 and ending on October  
23 31, 1987, the federal health care financing administration or the department  
24 finds a hospital in this state that provides care to medical assistance  
25 recipients for which the facility receives reimbursement from the appropria-  
26 tions under s. 20.435 (1) (b) and (c) to be an institution for mental  
27 diseases, as defined under 42 CFR 435.1009, the department shall continue  
28 payment from the appropriation under s. 20.435 (1) (b) under this section at

1 the current state share of the daily medical assistance reimbursement rate of  
2 the hospital, for care provided before November 1, 1987, to any person aged 22  
3 to 64 residing in the hospital whose care in the hospital has been disallowed  
4 for federal financial participation because the hospital is found to be an  
5 institution for mental diseases.

6 ••87-2076/6••SECTION 995. 49.45 (6m) of the statutes is repealed and re-  
7 created to read:

8 49.45 (6m) PAYMENT TO FACILITIES. (a) In this subsection:

9 1. "Active treatment" has the meaning specified in 42 CFR 435.1009.

10 2. "Cost center" means a group of similar facility expenses.

11 3. "Facility" means a nursing home as defined under s. 50.01 (3) or a  
12 community-based residential facility that is licensed under s. 50.03 and that  
13 is certified by the department as a provider of medical assistance.

14 4. "Net property tax" means property tax from which the Wisconsin state  
15 property tax credit has been deducted.

16 (ag) Payment for care provided in a facility under this subsection made  
17 under s. 20.435 (1) (b), (o) or (p) shall, except as provided in pars. (bg),  
18 (bm) and (br), be determined according to a prospective payment system updated  
19 annually by the department. The payment system shall implement standards  
20 which are reasonable and adequate to meet the costs which must be incurred by  
21 efficiently and economically operated facilities in order to provide care in  
22 conformity with this section, with federal regulations authorized under 42 USC  
23 1396a (a) (13) (A), 1396a (a) (30), 1396b (i) (3) and 1396L and with quality  
24 and safety standards established under subch. II of ch. 50 and ch. 150. In  
25 administering this payment system, the department shall allow costs it deter-  
26 mines are necessary and proper for providing patient care. The payment system  
27 shall reflect all of the following:

- 1       1. A prudent buyer approach to payment for services, under which a  
2 reasonable price recognizing selected factors that influence costs is paid for  
3 service that is of acceptable quality.
- 4       2. Standards established by the department for costs of economically and  
5 efficiently operated facilities that shall be based upon allowable costs  
6 incurred by facilities in the state as available from information submitted  
7 under par. (c) 3 and compiled by the department.
- 8       3. For state fiscal year 1987-88, rates that shall be set by the  
9 department based on information from cost reports for the 1986 fiscal year of  
10 the facility.
- 11      4. For state fiscal year 1988-89, rates that shall be based on informa-  
12 tion from cost reports for the 1987 fiscal year of the facility or upon  
13 information from cost reports, adjusted by a percentage rate for inflation  
14 determined by the department, for the 1986 fiscal year of the facility.
- 15      5. Consideration for special needs of facility residents.
- 16      6. Standards for capital payment that will be based upon replacement  
17 value of a facility as determined by a commercial estimator with which the  
18 department contracts and criteria and limitations as determined by the  
19 department.
- 20      7. Assurance of an acceptable quality of care for all medical assistance  
21 recipients provided nursing home care.
- 22      8. Calculation of total payments and supplementary payments to facilities  
23 that permits an increase in funds allocated under s. 20.435 (1) (b) and (c)  
24 for nursing home care provided medical assistance recipients over that paid  
25 for services provided in state fiscal year 1986-87 of no more than 2% during  
26 state fiscal year 1987-88 and over that paid for services provided in state  
27 fiscal year 1987-88 of no more than 2% during state fiscal year 1988-89,



1 excluding increases in total payments attributable to increases in recipient  
2 utilization of nursing home care.

3 (am) In determining payments for a facility under the payment system in  
4 par. (ag), the department shall consider all of the following cost centers:

5 1. Allowable direct care costs, including, if provided, any of the  
6 following:

7 a. Personal comfort supplies.

8 b. Medical supplies.

9 c. Transportation by common carrier or as provided by the facility to or  
10 from an office, clinic or other medical treatment center to receive medically  
11 necessary health treatment or care.

12 d. Services of facility medical personnel that are not separately  
13 billable under medical assistance requirements.

14 e. Nonbillable services of a registered nurse, licensed practical nurse,  
15 nursing assistant, ward clerk, activity person, recreation person, social  
16 worker, volunteer coordinator, teacher for residents aged 22 and older, voca-  
17 tional counselor for residents aged 22 and older, religious person, therapy  
18 aide, therapy assistant and counselor on resident living.

19 2. Allowable support service costs, including the following allowable  
20 facility expenses:

21 a. Dietary service for the provision of meals to facility residents.

22 b. Environmental service for the provision of maintenance, housekeeping,  
23 laundry and security service.

24 c. Administrative service for the provision of management or administra-  
25 tion and general services of a facility.

26 3. Allowable fuel and utility costs, including the facility expenses that  
27 the department determines are allowable for the provision of:

28 a. Electrical service.

1 b. Water and sewer services.

2 c. Heat.

3 4. Net property tax or allowable municipal service costs incurred by the  
4 owner of the facility for the facility.

5 5. Capital payment necessary for the provision of service over time,  
6 including allowable facility expenses for suitable space, furnishings, prop-  
7 erty insurance and moveable equipment for patient care.

8 (ar) In determining payments for a facility under par. (ag), the depart-  
9 ment may establish minimum patient day occupancy standards for determining  
10 costs per patient day and shall apply the following methods to calculate  
11 amounts payable for the rate year for the cost centers described under par.

12 (am):

13 1. For direct care costs:

14 a. The department shall establish standards for payment of allowable  
15 direct care costs that are 110% of the median for direct care costs for  
16 facilities that do not primarily service the developmentally disabled and  
17 separate standards for payment of allowable direct care costs that are 110% of  
18 the median for direct care costs for facilities primarily serving the devel-  
19 opmentally disabled. The standards shall be adjusted by the department for  
20 regional labor cost variations. The department may decrease the percentage  
21 established for the standards only if amounts available under par. (ag)  
22 (intro.) are insufficient to provide total payment under par. (am), less  
23 capital costs under subd. 5.

24 b. The department shall establish the direct care component of the  
25 facility rate for each facility by comparing actual allowable direct care cost  
26 information of that facility adjusted for inflation to the standards estab-  
27 lished under subd. 1. a.

1 c. If a facility has an approved program for provision of service to  
2 emotionally disturbed or mentally retarded residents, residents dependent upon  
3 ventilators, or residents requiring supplemental skilled care due to complex  
4 medical conditions, a supplement to the direct care component of the facility  
5 rate under subd. 1. b shall be made to that facility according to a method  
6 developed by the department.

7 cm. Funding distributed to facilities for the provision of active treat-  
8 ment to residents who are developmentally disabled shall be distributed in  
9 accordance with a method developed by the department which is consistent with  
10 a prudent buyer approach to payment for services.

11 d. Beginning July 1, 1986, the department shall include in direct care  
12 costs an amount reasonably related to cost for medical transportation under  
13 par. (am) 1. c.

14 2. For support service costs:

15 a. The department shall establish one or more standards for the payment  
16 of support service costs that are not less than the median of support service  
17 costs for a sample of all facilities within the state.

18 b. The department shall establish the support service component of the  
19 facility rate for each facility by comparing actual allowable support service  
20 cost information of that facility, adjusted for inflation, to the applicable  
21 standard established under subd. 2. a.

22 c. Payment for administrative and general services shall not exceed a  
23 maximum cost amount as determined by the department.

24 d. The department may provide an efficiency incentive payment to a  
25 facility whose allowable support service costs are less than the standards set  
26 forth under subd. 2. a.

27 3. For fuel and utility costs:

1 a. The department shall establish standards, adjusted for heating degree  
2 day variations in the state, for payment of fuel and utility costs that are  
3 not less than the median of heating fuel and utility costs for a sample of all  
4 facilities within the state.

5 b. The department shall establish the fuel and utility component of the  
6 facility rate for each facility by comparing actual allowable fuel and utility  
7 cost information of that facility, adjusted for inflation, to the standard  
8 established under subd. 3. a.

9 c. The department may provide an efficiency incentive payment to a  
10 facility whose allowable fuel and heating costs are less than the standard set  
11 forth under subd. 3. a.

12 4. For net property taxes or municipal services, payment shall be made  
13 for those costs that range from the amount of the previous calendar year's tax  
14 or the amount of municipal service costs for a period specified by the  
15 department to a maximum limit as determined by the department.

16 5. Capital payment shall be based on a replacement value for a facility,  
17 as determined by a commercial estimator with which the department has con-  
18 tracted for service, and subject to limitations determined by the department,  
19 except that the department may not reduce final capital payment of a facility  
20 by more than \$3.50 per patient day.

21 (av) 1. The department shall calculate a payment rate for a facility by  
22 applying the criteria set forth under pars. (ag) 1 to 5, 7 and 8, (am) 1 to 4  
23 and (ar) 1 to 4 to costs requested for payment by the facility.

24 2. The department shall compile an average payment rate for each facility  
25 based on that facility's rates for cost centers described under par. (am) 1 to  
26 4 that were in effect on June 30 of the previous year.

27 3. The department shall calculate the facility's projected cost per  
28 patient day, based on that facility's cost centers under par. (am) 1 to 4,

1 adjusted for inflation, with administrative and general costs limited to a  
2 maximum as determined by the department.

3 4. If the average payment rate for a facility compiled under subd. 2  
4 exceeds the figure calculated under subd. 3, the department shall calculate  
5 the facility's payment rate by performing all of the following:

6 a. Subtract the figure calculated under subd. 3 from the facility's  
7 average payment rate under subd. 2.

8 b. Multiply the figure resulting under subd. 4. a by up to 50%.

9 c. Add the figure resulting under subd. 4. b to the figure calculated  
10 under subd. 3.

11 d. The facility's rate shall be set at the lesser of the figure calcu-  
12 lated under subd. 4. c or the figure calculated under subd. 2.

13 5. If the facility's payment rate under subd. 1 is less than a 2%  
14 increase over its average payment rate for the previous year under subd. 2, if  
15 the figure calculated for the facility under subd. 3 exceeds the payment rate  
16 for the facility under subd. 1 and if subd. 4 does not apply, all of the  
17 following shall apply:

18 a. The department shall develop costs of a facility that reflect char-  
19 acteristics similar to the facility in question.

20 b. If the previous year's average payment rate under subd. 2 for the  
21 facility is less than the costs developed under subd. 5. a, the department may  
22 grant for the facility an increase of no more than 2% of the previous year's  
23 average payment rate under subd. 2 for the facility.

24 c. If the previous year's average payment rate under subd. 2 for the  
25 facility exceeds the costs developed under subd. 5. a, the facility's payment  
26 rate shall be the facility's previous year's average payment rate under subd.  
27 2.

1       5m. The rate under subd. 1, 4 or 5. b or c may be adjusted by the  
2 department to reflect funding for active treatment services.

3       6. The total payment rate for a facility as calculated under subd. 1, 4,  
4 5. b or c or 5m shall be the sum of the rate so calculated, plus capital pay-  
5 ment calculated under pars. (am) 5 and (ar) 5 and payment for ancillary ser-  
6 vices and materials under par. (b).

7       (b) The charges for ancillary materials and services that would be  
8 incurred by a prudent buyer may be included as an adjustment to the rate  
9 determined by par. (av) when so determined by the department. The department  
10 may not authorize any adjustments to the rate established under par. (av) to  
11 pay for a cost overrun that the department fails to approve under s. 150.11  
12 (3). Ancillary materials and services for which payment may be made include,  
13 if provided, oxygen, medical transportation and laboratory and X-ray services.  
14 Payment for these services and materials shall not exceed medical assistance  
15 limitations for reimbursement of the services and materials. For services in  
16 a facility for which the department may make payment to a service provider  
17 other than a facility, the department may make payment to the facility but not  
18 in excess of the estimated amount of payment available if a separate service  
19 provider provided the service. The department may promulgate rules setting  
20 forth conditions of and limitations to this paragraph.

21       (bg) The department shall determine payment levels for the provision of  
22 skilled, intermediate, limited, personal or residential care or care for the  
23 mentally retarded in the state centers for the developmentally disabled sepa-  
24 rately from the payment principles, applicable costs and methods established  
25 under this subsection.

26       (bm) Except as provided in par. (bo), the department may establish pay-  
27 ment methods for a facility for which any of the following apply:

28       1. The facility is newly constructed.

1       2. The total of licensed beds for the facility has significantly in-  
2 creased or decreased prior to calculation of its rate under the payment  
3 system.

4       3. The facility has undergone a change in certification or licensure  
5 level.

6       4. The facility has implemented or discontinued an approved program for  
7 provision of service to emotionally disturbed residents.

8       5. The facility has received approval or disapproval for provision of  
9 service to residents requiring supplemental skilled care due to complex medi-  
10 cal conditions.

11       (b) The department may establish payment methods for capital payment for  
12 a newly constructed facility that first provided services after June 30, 1984.

13       (bp) Notwithstanding pars. (ag) 3 and 4, (am) 5 and (ar) 5, the depart-  
14 ment may establish payment methods based on actual costs for capital payment  
15 for a facility that, after December 31, 1982, was constructed, was purchased  
16 or incurred annual remodeling costs of more than \$600,000.

17       (br) If the federal department of health and human services disallows use  
18 of the allocation of matching federal medical assistance funds under appli-  
19 cable federal acts or programs for the reduction of operation deficits under  
20 sub. (6u), all of the following apply:

21       1. Notwithstanding s. 20.435 (4) (b), (cd), (de) or (eb), the department  
22 shall reduce allocations of funds to counties in the amount of the disallow-  
23 ance from the appropriations under s. 20.435 (4) (b), (cd), (de) or (eb) under  
24 the procedures specified under s. 16.544 to resolve the disallowance.

25       2. If a city or village owns and operates a facility that has received  
26 funds to reduce an operating deficit, the city or village shall reimburse the  
27 county in which the city or village is located in the amount of funds so  
28 received.

- 1 (c) As a condition of payment under this section a facility shall:
- 2 1. Meet the staffing standard requirements for direct care costs includ-
- 3 ing the supplement contained under par. (ar) 1. c, for which payment is made,
- 4 and to maintain such records as prescribed by the department to document that
- 5 such level of care was actually provided.
- 6 2. Provide at the time of a patient's admission to a home, for the
- 7 development and implementation of a rehabilitation plan including the
- 8 development of an alternate care plan for the patient.
- 9 3. Provide, upon request, cost information relating to the overall
- 10 financial operation of the facility, including, but not limited to wages and
- 11 hours worked, costs of food, housekeeping, maintenance and administration.
- 12 4. Agree to admit patients 7 days of the week.
- 13 5. Admit only patients assessed or who waive or are exempt from the
- 14 requirement of assessment under s. 46.27 (6) (a).
- 15 (d) The department shall:
- 16 2. Terminate payment to a facility for a patient, unless a utilization
- 17 review team established pursuant to federal regulations upon review of the
- 18 patient's needs and the implementation of a rehabilitation plan for that
- 19 patient determines that the patient's need for care and services can only be
- 20 provided in a facility and determines the appropriate level of care.
- 21 3. Establish, maintain, and periodically update a patient needs evalu-
- 22 ation system to be used in determining the need and level of care at a
- 23 facility, which shall include the social and rehabilitative needs of the
- 24 patient, provide levels of care to correspond to the actual staff time
- 25 required to provide such care, and define the contents of the services to be
- 26 provided.
- 27 4. Periodically audit all nursing homes and intermediate care facilities
- 28 receiving funds under this paragraph, and recover payments made where the home



1 is not meeting the conditions under which the payment was made as specified in  
2 par. (c) 1 and 2. Erroneous information provided under par. (c) 3 shall con-  
3 stitute grounds for recovery.

4 (e) The department shall establish an appeals mechanism within the  
5 department to review petitions from facilities providing skilled,  
6 intermediate, limited, personal or residential care or providing care for the  
7 mentally retarded for modifications to any payment under this subsection. The  
8 department may, upon the presentation of facts, modify a payment if demon-  
9 strated substantial inequities exist for the period appealed. Upon review of  
10 the department's decision the secretary may grant the modifications, which may  
11 exceed maximum payment levels allowed under this subsection but may not exceed  
12 federal maximum reimbursement levels. The department shall develop specific  
13 criteria and standards for granting payment modifications, and shall take into  
14 account the following, without limitation because of enumeration, in reviewing  
15 petitions for modification:

16 1. The efficiency and effectiveness of the facility if compared with  
17 facilities providing similar services and if valid cost variations are  
18 considered.

19 2. The effect of rate modifications upon compliance with federal regula-  
20 tions authorized under 42 USC 1396 to 1396p.

21 3. The need for additional revenue to correct licensure and certification  
22 deficiencies.

23 4. The relationship between total revenue and total costs for all  
24 patients.

25 5. The existence and effectiveness of specialized programs for the  
26 chronically mentally ill or developmentally disabled.

27 6. Exceptional patient needs.

28 7. Demonstrated experience in providing high quality patient care.

1 (g) Payment under this section to a facility may not include the cost of  
2 care reimbursable for persons eligible for medicare benefits under 42 USC 1395  
3 to 1395zz. Medical assistance recipients are not liable for these costs. The  
4 department may require that a facility recover these costs from the appropri-  
5 ate agencies. The department may, by rule, require medicare certification  
6 under 42 USC 1395 to 1395zz, in whole or in part, of skilled nursing  
7 facilities. Any intermediate care facility or skilled nursing facility is  
8 subject to a fine of not less than \$10 nor more than \$100 for each day it  
9 refuses to recover costs or refuses to obtain the required certification.

10 (h) The department may require by rule that all claims for payment of  
11 services provided facility residents under this chapter be submitted or coun-  
12 tersigned by the respective facility administrator. The department may spec-  
13 ify those categories of services for which payment will be made only if the  
14 services are rendered or authorized in writing by a primary health care  
15 provider designated by the recipient for the particular category of services.

16 (i) 1. On or after October 1, 1981, medical assistance payment for inpa-  
17 tient nursing care may only be provided for persons receiving skilled, inter-  
18 mediate or limited levels of nursing care as these levels are defined under  
19 Wis. Adm. Code s. HSS 132.13.

20 2. Payment for personal or residential care is available for a person in  
21 a facility certified under 42 USC 1396 to 1396p only if the person entered a  
22 facility before the date specified in subd. 1 and has continuously resided in  
23 a facility since the date specified in subd. 1. If the person has a primary  
24 diagnosis of developmental disabilities or chronic mental illness, payment for  
25 personal or residential care is available only if the person entered a facil-  
26 ity on or before November 1, 1983.

\*\*\*NOTE: The repeal and recreation of s. 49.45 (6m) (br)  
(intro.) and 1 in this draft takes effect on 7-1-87. The treatment  
of s. 49.45 (6m) (br) (intro.) [by LRB-2081/3] and the treatment of  
s. 49.45 (6m) (br) 1 [by LRB-1272/2] take effect on 7-1-87 or the

day after publication, which ever is later. Reconciliation completed. LRB numbers 1272, 2076 and 2081 should all continue to appear in the sprint in regard to s. 49.45 (6m).

1

\*\*\*\*\*NOTE: This SECTION number needed in effective date SECTION 3204 (24) (\*).

2       ••87-2081/3••SECTION 996. 49.45 (6m) (br) (intro.) of the statutes, as  
3 affected by 1987 Wisconsin Act .... (this act), is repealed and recreated to  
4 read:

5       49.45 (6m) (br) (intro.) If the federal department of health and human  
6 services disallows use of the allocation of matching federal medical assis-  
7 tance funds under applicable federal acts or programs for the reduction of  
8 operation deficits under sub. (6u), all of the following apply:

      \*\*\*\*\*NOTE: This is reconciled s. 49.45 (6m) (br) (intro.).  
      The treatment of that statute by LRB-2076/4 takes effect 7-1-87.  
      The treatment by this draft [LRB-2081/3] takes effect 7-1-87 or the  
      day after publication, whichever is later.

9       ••87-1272/2••SECTION 997. 49.45 (6m) (br) 1 of the statutes, as affected  
10 by 1987 Wisconsin Act .... (this act), is repealed and recreated to read:

11       49.45 (6m) (br) 1. Notwithstanding s. 20.435 (4) (b), (cd), (de) or (eb),  
12 the department shall reduce allocations of funds to counties in the amount of  
13 the disallowance from the appropriations under s. 20.435 (4) (b), (cd), (de)  
14 or (eb) in accordance with s. 16.544 to the extent applicable.

      \*\*\*\*\*NOTE: This draft (LRB-1272/2) reconciles LRB-1272/1 and  
      LRB-2076/3. Both LRB-1272 and LRB-2076 should continue to appear  
      in the sprint.

15       ••87b0363/2••SECTION 997g. 49.45 (6u) (b) 3 of the statutes is created to  
16 read:

17       49.45 (6u) (b) 3. Consideration of the size of a facility's operating  
18 deficit.

19       ••87b0361/4••SECTION 997m. 49.45 (6u) (g) of the statutes is created to  
20 read:

1 49.45 (6u) (g) If a facility that is otherwise eligible for an allocation  
2 of funds under this section is found by the federal health care financing  
3 administration or the department to be an institution for mental diseases, as  
4 defined under 42 CFR 435.1009, the department may not allocate to that facil-  
5 ity funds under this section after the date on which the finding is made.

6 ••87-1289/1••SECTION 998. 49.45 (7) (a) of the statutes is repealed and  
7 recreated to read:

8 49.45 (7) (a) A recipient who is a patient in a public medical insti-  
9 tution or an accommodated person and has a monthly income exceeding the pay-  
10 ment rates established under 42 USC 1382 (e) may retain \$40 unearned income  
11 per month for personal needs. The recipient shall apply income in excess of  
12 \$40, less any amount deducted under rules promulgated by the department,  
13 toward the cost of care in the facility.

14 ••87b0341/2••SECTION 998c. 49.45 (18) (intro.) of the statutes is amended  
15 to read:

16 49.45 (18) RECIPIENT COST SHARING. (intro.) Except as provided in pars.  
17 (a) to ~~(e)~~ (d), any person eligible for medical assistance under s. 49.46 or  
18 49.47 shall pay up to the maximum amounts allowable under 42 CFR 447.53 to  
19 447.58 for purchases of services provided under s. 49.46 (2). The service  
20 provider shall collect the allowable copayment, coinsurance or deductible.  
21 The department shall reduce payments to each provider by the amount of the  
22 allowable copayment, coinsurance or deductible. No provider may deny care or  
23 services because the recipient is unable to share costs, but an inability to  
24 share costs specified in this subsection does not relieve the recipient of  
25 liability for these costs. Liability under this subsection is limited by the  
26 following provisions:

27 ••87b0341/2••SECTION 998r. 49.45 (18) (b) 8 of the statutes is repealed.

28 ••87b0341/2••SECTION 998w. 49.45 (18) (b) 9 of the statutes is repealed.

1       ••87b0532/1 •• 87b1226/2••SECTION 999. 49.45 (18) (b) 11 of the statutes  
2 is created to read:

3       49.45 (18) (b) 11. Personal care services.

4       ••87b0339/4••SECTION 999m. 49.45 (18) (b) 12 of the statutes is created  
5 to read:

6       49.45 (18) (b) 12. Case management services.

7       ••87-1291/4••SECTION 1000. 49.45 (23) of the statutes is created to read:

8       49.45 (23) TREATMENT OF TRUSTS. (a) In this subsection, "medical  
9 assistance qualifying trust" means a revocable or irrevocable trust, other  
10 than a trust established in a will, created by an individual or the  
11 individual's spouse under the terms of which the individual receives or could  
12 receive payments and the trustee has discretion in making payments to the  
13 individual.

14       (b) For the purpose of determining eligibility for medical assistance,  
15 the maximum amount of payments that the trustee of a medical assistance qual-  
16 ifying trust may make to an individual under the terms of the medical assis-  
17 tance qualifying trust shall be considered to be available to the individual,  
18 without regard to whether the trustee actually makes the maximum payments to  
19 the individual and without regard to the purpose for which the medical assis-  
20 tance qualifying trust was established.

21       (c) The department may waive the application of par. (b) to an individual  
22 if it determines that the application of that paragraph would work an undue  
23 hardship.

24       (d) Paragraph (b) does not apply to a trust or initial trust decree  
25 established prior to April 7, 1986, solely for the benefit of an individual  
26 with mental retardation who resides in an intermediate care facility for the  
27 mentally retarded under 42 USC 1396d (c) and (d).

1       ••87b0340/3••SECTION 1000m. 49.45 (24) of the statutes is created to  
2 read:

3       49.45 (24) PRIMARY CARE PROVIDER PILOT. The department may request a  
4 waiver from the secretary of the federal department of health and human ser-  
5 vices under 42 USC 1396n (b) (1) to permit the establishment of a primary care  
6 provider pilot project. If the waiver is granted, the department may estab-  
7 lish a primary care provider pilot project under which primary care providers  
8 act as case managers for medical assistance beneficiaries. If the department  
9 establishes a primary care provider pilot project, it shall reimburse a case  
10 manager for the allowable charges for case management services provided to a  
11 beneficiary participating in the pilot project.

12       ••87b0336/5••SECTION 1000r. 49.45 (24m) of the statutes is created to  
13 read:

14       49.45 (24m) HOME HEALTH CARE AND PERSONAL CARE PILOT PROGRAM. From the  
15 appropriations under s. 20.435 (1) (b) and (o), in order to test the feasi-  
16 bility of instituting a system of reimbursement for providers of home health  
17 care and personal care services for medical assistance recipients that is  
18 based on competitive bidding, the department shall:

19       (a) By January 1, 1988, select a county in this state and solicit bids  
20 from providers of home health care and personal care services in that county  
21 for the provision, on a contractual basis, of home health and personal care  
22 services authorized under ss. 49.46 (2) (a) 4. d and (b) 6. j and 49.47 (6)  
23 (a) 1.

24       (b) Award contracts for the provision of home health care and personal  
25 care services from the bids received under par. (a) only if the department  
26 determines that the contracts would result in a lower cost alternative to  
27 fee-for-service reimbursement.

1       ••87b0339/4••SECTION 1000s. 49.45 (25) of the statutes is created to  
2 read:

3       49.45 (25) CASE MANAGEMENT SERVICES. (a) In this subsection, "severely  
4 emotionally disturbed child" means a person under 21 years of age who has  
5 emotional and behavioral problems which are all of the following:

6       1. Severe in degree.

7       2. Expected to persist for at least one year.

8       3. Substantially interfering with the person's functioning in the family,  
9 school or community and with the person's ability to cope with the ordinary  
10 demands of life.

11       4. Causing the person to need services from 2 or more mental health,  
12 juvenile justice, social service, child welfare, special education or health  
13 organizations.

14       (am) Except as provided under sub. (24), case management services under  
15 ss. 49.46 (2) (b) 9 and 49.47 (6) (a) 3 are reimbursable under medical assis-  
16 tance only if provided to a medical assistance beneficiary who has a develop-  
17 mental disability, as defined under s. 51.01 (5) (a), chronic mental illness,  
18 as defined under s. 51.01 (3g), or Alzheimer's disease, as defined under s.  
19 46.87 (1) (a), is alcoholic, as defined under s. 51.01 (1), or drug dependent,  
20 as defined under s. 51.01 (8), is physically disabled, as defined by the  
21 department, is a severely emotionally disturbed child, or is over age 65 and  
22 who receives case management services from or through a certified case man-  
23 agement provider in a county which elects, under par. (b), to make the ser-  
24 vices available.

25       (b) A county may elect to make case management services under this sub-  
26 section available in the county to one or more of the categories of benefi-  
27 ciaries under par. (am) through the medical assistance program. A county  
28 which elects to make the services available shall reimburse a case management

1 provider for the amount of the allowable charges for those services under the  
2 medical assistance program that is not provided by the federal government.

3 (bm) Case management services under this subsection may not be provided  
4 to a person under the category of severely emotionally disturbed child unless  
5 a team of mental health experts appointed by the case management provider  
6 determines that the person is a severely emotionally disturbed child. The  
7 team shall consist of at least 3 members. The case management provider shall  
8 appoint at least one member of the team who is licensed psychologist or a  
9 physician specializing in psychiatry. The case management provider shall  
10 appoint at least 2 members of the team who are members of the professions of  
11 school psychologist, school social worker, registered nurse, social worker,  
12 child care worker, occupational therapist or teacher of emotionally disturbed  
13 children. The case management provider shall appoint as a member of the team  
14 at least one person who personally participated in a psychological evaluation  
15 of the child.

16 (c) The department shall reimburse a provider of case management services  
17 under this subsection only for the amount of the allowable charges for those  
18 services under the medical assistance program that is provided by the federal  
19 government.

20 ••87-1281/1••SECTION 1001. 49.46 (1) (a) 1m of the statutes is amended to  
21 read:

22 49.46 (1) (a) 1m. Any pregnant woman who would be eligible for aid to  
23 ~~families with dependent children if the child was born and living with her~~  
24 meets the resource and income limits under s. 49.19 (4) (bm) and (es) and  
25 whose pregnancy is medically verified. Eligibility begins on the date preg-  
26 nancy is verified or the date of application, whichever is later, and con-  
27 tinues for 60 days after the last day of the pregnancy.



1       ••87b0411/3••SECTION 1001d. 49.46 (1) (a) 6 to 11 of the statutes are  
2 created to read:

3       49.46 (1) (a) 6. Any pregnant woman not described under subd. 1 or 1m  
4 whose family income does not exceed the poverty line for a family the size of  
5 the woman's family.

6       7. Any child not described under subd. 1 who is under one year of age and  
7 whose family income does not exceed the poverty line for a family the size of  
8 the child's family.

9       8. Any child not described under subd. 1 who has attained the age of one  
10 but who has not attained the age of 2 and whose family income does not exceed  
11 the poverty line for a family the size of the child's family. This subdivi-  
12 sion applies after September 30, 1987.

13       9. Any child not described under subd. 1 who has attained the age of 2  
14 but who has not attained the age of 3 and whose family income does not exceed  
15 the poverty line for a family the size of the child's family. This subdivi-  
16 sion applies after September 30, 1988.

17       10. Any child not described under subd. 1 who has attained the age of 3  
18 but who has not attained the age of 4 and whose family income does not exceed  
19 the poverty line for a family the size of the child's family. This subdivi-  
20 sion applies after September 30, 1989.

21       11. Any child not described under subd. 1 who has attained the age of 4  
22 but who has not attained the age of 5 and whose family income does not exceed  
23 the poverty line for a family the size of the child's family. This subdivi-  
24 sion applies after September 30, 1990.

25       ••87b1217/1 •• 87b1226/2••SECTION 1001e. 49.46 (1) (c) (intro.) of the  
26 statutes is amended to read:

27       49.46 (1) (c) (intro.) Medical Except as provided under par. (co), medi-  
28 cal assistance shall be provided to a person or family for 4 calendar months

1 following the month in which the person or family becomes ineligible for aid  
2 to families with dependent children because of increased income from employ-  
3 ment if:

4 ••87b1217/1 •• 87b1226/2••SECTION 1001f. 49.46 (1) (cm) of the statutes  
5 is amended to read:

6 49.46 (1) (cm) ~~Medical~~ Except as provided under par. (co), medical  
7 assistance shall be provided to a family for 9 consecutive calendar months  
8 following the month in which the family is ineligible for aid to families with  
9 dependent children solely because the family no longer receives the earned  
10 income disregards under s. 49.19 (5) (a) 4 and 4m or (am) due to the expira-  
11 tion after September 30, 1984, of the time limit during which the disregards  
12 are applied.

13 ••87b1217/1 •• 87b1226/2••SECTION 1001g. 49.46 (1) (co) of the statutes  
14 is created to read:

15 49.46 (1) (co) 1. Except as provided under subd. 2, medical assistance  
16 shall be provided to a family for 12 consecutive calendar months following the  
17 month in which the family becomes ineligible for aid to families with depen-  
18 dent children because of increased income from employment, because the family  
19 no longer receives the earned income disregard under s. 49.19 (5) (a) 4 or 4m  
20 or (am) due to the expiration of the time limit during which the disregards  
21 are applied or because of the application of the monthly employment time eli-  
22 gibility limitation under 45 CFR 233.100 (a) (1) (i).

23 2. If a waiver under subd. 3 is granted, the department may select indi-  
24 viduals to receive medical assistance benefits as provided under par. (c) or  
25 (cm), rather than under subd. 1, as a control group for part or all of the  
26 period during which the waiver is in effect.

27 3. The department shall request a waiver from the secretary of the fed-  
28 eral department of health and human services to permit the extension of medi-

1 cal assistance benefits under subs. 1 and 2. Subdivision 1 does not apply  
2 unless a federal waiver is in effect. If a waiver is received, the department  
3 shall implement subs. 1 and 2 no later than the first day of the 6th month  
4 beginning after the waiver is approved.

5 ••87b0411/3••SECTION 1001h. 49.46 (1) (f) of the statutes is created to  
6 read:

7 49.46 (1) (f) An individual determined to be eligible for benefits under  
8 par. (a) 6 remains eligible for benefits under par. (a) 6 for the balance of  
9 the pregnancy and for 60 days after the last day of the pregnancy without  
10 regard to any change in the individual's family income.

11 ••87b0411/3••SECTION 1001p. 49.46 (1) (g) of the statutes is created to  
12 read:

13 49.46 (1) (g) If a child eligible for benefits under par. (a) 7, 8, 9, 10  
14 or 11 is receiving inpatient services covered under sub. (2) on the day before  
15 the birthday on which the child attains the age at which he or she would  
16 become ineligible for benefits and, but for attaining that age, the child  
17 would remain eligible for benefits under par. (a) 7, 8, 9, 10 or 11, the child  
18 remains eligible for benefits until the end of the stay for which the inpa-  
19 tient services are furnished.

20 ••87b0411/3••SECTION 1001r. 49.46 (1) (h) of the statutes is created to  
21 read:

22 49.46 (1) (h) For the purposes of sub. (1) (a) 6 to 11, "income" includes  
23 income that would be used in determining eligibility for aid to families with  
24 dependent children under s. 49.19 and excludes income that would be excluded  
25 in determining eligibility for aid to families with dependent children under  
26 s. 49.19.

27 ••87b0411/3••SECTION 1001t. 49.46 (2) (a) (intro.) of the statutes is  
28 amended to read:

1 49.46 (2) (a) (intro.) The Except as provided in par. (bm), the depart-  
2 ment shall audit and pay allowable charges to certified providers for medical  
3 assistance on behalf of recipients for the following federally mandated  
4 benefits:

5 ••87b0339/4••SECTION 1001v. 49.46 (2) (a) 2 of the statutes is amended to  
6 read:

7 49.46 (2) (a) 2. Early and periodic screening and diagnosis, including  
8 case management services, of persons under 21 years of age and all medical  
9 treatment and dentists' services specified in par. (b) 1 found necessary by  
10 this screening and diagnosis.

11 ••87-1800/2••SECTION 1002. 49.46 (2) (a) 4. a of the statutes is amended  
12 to read:

13 49.46 (2) (a) 4. a. Inpatient hospital services other than services in an  
14 institution for mental diseases, including psychiatric and alcohol or other  
15 drug abuse treatment services, ~~subject to the limitations under par. (e).~~

16 ••87b0410/1••SECTION 1002m. 49.46 (2) (a) 5 of the statutes is created to  
17 read:

18 49.46 (2) (a) 5. Hospice care, as provided under par. (g).

19 ••87b0411/3••SECTION 1002n. 49.46 (2) (b) (intro.) of the statutes is  
20 amended to read:

21 49.46 (2) (b) (intro.) The Except as provided in par. (bm), the depart-  
22 ment shall audit and pay allowable charges to certified providers for medical  
23 assistance on behalf of recipients for the following services:

24 ••87b1453/2 •• 87b1990/en••SECTION 1002r. 49.46 (2) (b) 6. a of the  
25 statutes is amended to read:

26 49.46 (2) (b) 6. a. Intermediate care facility services other than in an  
27 institution for mental diseases.

1       ••87-1800/2••SECTION 1003. 49.46 (2) (b) 6. f of the statutes is amended  
2 to read:

3       49.46 (2) (b) 6. f. Medical day treatment services, mental health ser-  
4 vices and alcohol and other drug abuse services, including services provided  
5 by a psychiatrist, ~~subject to the limitations under par. (e) and including~~  
6 alcohol and other drug abuse day treatment services.

7       ••87-2019/1••SECTION 1004. 49.46 (2) (b) 6. i of the statutes is amended  
8 to read:

9       49.46 (2) (b) 6. i. Insulin Over-the-counter drugs limited to insulin,  
10 antacids and, analgesics, cough preparations and ophthalmic lubricants listed  
11 in the Wisconsin medical assistance drug index.

12       ••87-1284/2••SECTION 1005. 49.46 (2) (b) 6. j of the statutes is created  
13 to read:

14       49.46 (2) (b) 6. j. Personal care services.

15       ••87-2078/4••SECTION 1006. 49.46 (2) (b) 8 of the statutes is amended to  
16 read:

17       49.46 (2) (b) 8. Home or community-based services, if provided under s.  
18 46.27 (11), 46.275 ~~or~~, 46.277 or 46.278.

19       ••87b0339/4••SECTION 1006m. 49.46 (2) (b) 9 of the statutes is created to  
20 read:

21       49.46 (2) (b) 9. Case management services, as specified under s. 49.45  
22 (24) or (25).

23       ••87b0411/3••SECTION 1006n. 49.46 (2) (bm) of the statutes is created to  
24 read:

25       49.46 (2) (bm) Benefits for an individual eligible under sub. (1) (a) 6  
26 are limited to those services under par. (a) or (b) that are related to  
27 pregnancy, including postpartum services, or to other conditions which may  
28 complicate pregnancy.

1       ••87-1790/1••SECTION 1007. 49.46 (2) (c) of the statutes is amended to  
2 read:

3       49.46 (2) (c) Medical assistance shall also include payment of any of the  
4 deductible and coinsurance portions of the above services which are not paid  
5 by medicare under Title XVIII 42 USC 1395 to 1395zz and the monthly premiums  
6 payable under section 1839 of the social security act 42 USC 1395r. Payment  
7 of coinsurance for a service under part B of medicare, 42 USC 1395j to 1395w,  
8 may not exceed the allowable charge for the service under medical assistance  
9 minus the medicare payment.

10       ••87b1453/2 •• 87b1990/en••SECTION 1007m. 49.46 (2) (dm) of the statutes  
11 is created to read:

12       49.46 (2) (dm) Benefits under this section may not include payment for  
13 services to individuals aged 22 to 64 that are provided by an institution for  
14 mental diseases.

15       ••87-1800/2••SECTION 1008. 49.46 (2) (e) of the statutes is repealed.

16       ••87b0410/1••SECTION 1008m. 49.46 (2) (g) of the statutes is created to  
17 read:

18       49.46 (2) (g) The department shall pay for hospice care provided to a  
19 medical assistance beneficiary who resides in a skilled nursing facility or an  
20 intermediate care facility, is entitled to medicare part A benefits, under 42  
21 USC 1395c to 1395i-2, and is terminally ill.

22       ••87b0411/3••SECTION 1008n. 49.465 of the statutes is created to read:

23       49.465 PRESUMPTIVE MEDICAL ASSISTANCE ELIGIBILITY. (1) In this section,  
24 "qualified provider" means a provider which satisfies the requirements under  
25 42 USC 1396r-1 (b) (2), as determined by the department.

26       (2) A pregnant woman is eligible for medical assistance benefits, as  
27 provided under sub. (3), during the period beginning on the day on which a  
28 qualified provider determines, on the basis of preliminary information, that

1 the woman's family income does not exceed the highest level for eligibility  
2 for benefits under s. 49.46 (1) or 49.47 (4) (c) 1 and ending on the earliest  
3 of the following:

4 (a) The day on which the department or the county department under s.  
5 46.215, 46.22 or 46.23 determines whether the woman is eligible for benefits  
6 under s. 49.46 or 49.47.

7 (b) The 45th day after the day on which the qualified provider makes the  
8 determination under this subsection.

9 (c) If the woman does not apply for benefits under s. 49.46 or 49.47, the  
10 14th day after the day on which the provider makes the determination under  
11 this subsection.

12 (3) The department shall audit and pay allowable charges to a qualified  
13 provider for medical assistance on behalf of a recipient under this section  
14 only for ambulatory prenatal care covered under s. 49.46 (2).

15 (4) A woman who is determined to be eligible under this section shall  
16 apply for benefits under s. 49.46 or 49.47 on or before the 14th day after the  
17 day on which the qualified provider makes that determination.

18 (5) A qualified provider which determines that a woman is eligible under  
19 this section shall do all of the following:

20 (a) Notify the department of that determination on or before the 5th day  
21 after the day the determination is made.

22 (b) Notify the woman of the requirement under sub. (4).

23 (6) The department shall provide qualified providers with application  
24 forms for medical assistance under ss. 49.46 and 49.47 and information on how  
25 to assist women in completing the forms.

26 ••87-1281/1••SECTION 1009. 49.47 (4) (a) 2 of the statutes is amended to  
27 read:

1 49.47 (4) (a) 2. ~~Pregnant and would be eligible for aid to families with~~  
2 ~~dependent children if the child was born and living with her, and if the~~  
3 woman's pregnancy is medically verified. Eligibility begins on the date  
4 pregnancy is verified or the date of application, whichever is later, and  
5 continues for 60 days after the last day of the pregnancy.

6 ••87-1792/2••SECTION 1010. 49.47 (4) (c) 1 of the statutes is amended to  
7 read:

8 49.47 (4) (c) 1. Except as provided in subd. 1m and as limited by subd.  
9 3, eligibility exists if ~~the individual's~~ income does not exceed 133 1/3% of  
10 the maximum ~~standard of need used in determining eligibility for aid to fam-~~  
11 ilies with dependent children payment under s. 49.19 (11) for the applicant's  
12 family size or the combined benefit amount available under supplemental  
13 security income under 42 USC 1381 to 1383c and state supplemental aid under s.  
14 49.177 whichever is higher. In this subdivision "income" includes earned or  
15 unearned income that would be included in determining eligibility for the  
16 individual or family under s. 49.177 or 49.19, or for the aged, blind or dis-  
17 abled under 42 USC 1381 to 1385. "Income" does not include earned or unearned  
18 income which would be excluded in determining eligibility for the individual  
19 or family under s. 49.177 or 49.19, or for the aged, blind or disabled indi-  
20 vidual under 42 USC 1381 to 1385.

21 ••87-1284/2••SECTION 1011. 49.47 (6) (a) 1 of the statutes is amended to  
22 read:

23 49.47 (6) (a) 1. All beneficiaries, for those services enumerated under  
24 s. 49.46 (2) (a) and (b) 3 and 6. a to d, and h and i to j.

25 ••87b1453/2 •• 87b1990/en••SECTION 1011d. 49.47 (6) (a) 2 of the statutes  
26 is amended to read:

27 49.47 (6) (a) 2. All beneficiaries who reside in an intermediate care  
28 facility or a skilled nursing facility that is not found to be an institution



1 for mental diseases, for those services enumerated under s. 49.46 (2) (b) 1,  
2 2, 4, 5 and 6. f and g.

3 ••87b0339/4••SECTION 1011g. 49.47 (6) (a) 3 of the statutes is created to  
4 read:

5 49.47 (6) (a) 3. Beneficiaries eligible under s. 49.45 (24) or (25), for  
6 the services under s. 49.46 (2) (b) 9.

7 ••87b0410/1••SECTION 1011m. 49.47 (6) (a) 4 of the statutes is created to  
8 read:

9 49.47 (6) (a) 4. Beneficiaries described under s. 49.46 (2) (g), for  
10 hospice care.

11 ••87b1453/2 •• 87b1990/en••SECTION 1011o. 49.47 (6) (c) 3 of the statutes  
12 is amended to read:

13 49.47 (6) (c) 3. Care or services for an individual who is an inmate of a  
14 public institution, except as a patient in a medical institution or a resident  
15 in an intermediate care facility that is not found to be an institution for  
16 mental diseases.

17 ••87b1453/2 •• 87b1990/en••SECTION 1011p. 49.47 (6) (c) 4 of the statutes  
18 is created to read:

19 49.47 (6) (c) 4. Services for individuals aged 22 to 64 that are provided  
20 under this section by an institution for mental diseases.

21 ••87b0854/2 •• 87b1226/2••SECTION 1011t. 49.485 (1) (dm) of the statutes  
22 is amended to read:

23 49.485 (1) (dm) "Income" means income as defined in s. 71.09 (7) (a) 6,  
24 except that "income" does not include the following amounts that are excluded  
25 from adjusted gross income: capital gains, including capital gains excluded  
26 under section 1034 of the internal revenue code, dividends, contributions to  
27 individual retirement accounts, intangible drilling costs, depletion allow-  
28 ances and the amount by which the value of a share of stock at the time a

1 qualified or restricted stock option is exercised exceeds the option price;  
2 and except that income does include all amounts received under ss. 46.27 and  
3 144.027.

4 ••87-2091/2••SECTION 1013. 49.497 (1) of the statutes is amended to read:  
5 49.497 (1) The department may recover any payment made incorrectly for  
6 benefits specified under s. 49.46 or 49.47 if the incorrect payment results  
7 from any misstatement or omission of fact by a person supplying information in  
8 an application for benefits under s. 49.46 or 49.47. The department may also  
9 recover if a medical assistance recipient or any other person responsible for  
10 giving information on the recipient's behalf fails to report the receipt of  
11 income or assets in an amount that would have affected the recipient's eligi-  
12 bility for benefits. The department's right of recovery is against any medi-  
13 cal assistance recipient to whom or on whose behalf the incorrect payment was  
14 made. The extent of recovery is limited to the amount of the benefits incor-  
15 rectly granted. The county department under s. 46.215 or 46.22 or the gov-  
16 erning body of a federally recognized American Indian tribe administering  
17 medical assistance shall begin recovery actions on behalf of the department  
18 according to rules the department may adopt.

19 ••87-2091/2••SECTION 1014. 49.497 (2) of the statutes is created to read:  
20 49.497 (2) A county or governing body of a federally recognized American  
21 Indian tribe may retain 15% of state aid distributed under s. 49.46 or 49.47  
22 that is recovered under sub. (1) due to the efforts of an employe or officer  
23 of the county or tribe.

24 ••87b0411/3••SECTION 1014b. 49.50 (7) (a) of the statutes is renumbered  
25 49.50 (7) (am).

26 ••87b0411/3••SECTION 1014e. 49.50 (7) (a) of the statutes is created to  
27 read:

1 49.50 (7) (a) In this subsection, "school" means any one of the  
2 following:

- 3 1. A public school, as described in s. 115.01 (1).
- 4 2. A private school, as defined in s. 115.001 (3r).
- 5 3. A vocational, technical and adult education school pursuant to a con-  
6 tract under s. 118.15 (2).
- 7 4. A course of study meeting the standards established by the state  
8 superintendent of public instruction under s. 115.29 (4) for the granting of a  
9 declaration of equivalency of high school graduation.

10 ••87b0411/3••SECTION 1014h. 49.50 (7) (b) of the statutes is amended to  
11 read:

12 49.50 (7) (b) The department shall pay the nonfederal share for such  
13 services enumerated in par. ~~(a)~~ (am). The department shall, to the extent  
14 possible, use available in-kind services to provide the nonfederal share for  
15 the program under this subsection.

16 ••87b0411/3••SECTION 1014L. 49.50 (7) (e) of the statutes is renumbered  
17 49.50 (7) (e) 2 and amended to read:

18 49.50 (7) (e) 2. The department shall establish procedures to ensure that  
19 reimbursement of child care expenses of participants in the program under this  
20 subsection other than those under subd. 1 is made consistently within 2 weeks  
21 after a recipient submits a claim form.

22 ••87b0411/3••SECTION 1014n. 49.50 (7) (e) 1 of the statutes is created to  
23 read:

24 49.50 (7) (e) 1. For an individual who is a recipient of aid under s.  
25 49.19, who is the parent with whom a dependent child lives and who is either  
26 required to attend school under par. (g) or is 13 to 19 years of age and wants  
27 to attend school, the department shall make a monthly payment to the indi-  
28 vidual or the child care provider for the month's child care costs in an

1 amount based on need with the maximum amount per child equal to the lesser of  
2 the actual cost of the care or the rate established under s. 46.98 (4) (d) if  
3 all of the following apply:

4 a. The individual demonstrates the need to purchase child care services  
5 in order to attend school and those services are available.

6 b. The child care provider is licensed under s. 48.65 (1), certified  
7 under s. 48.651 or established under s. 120.13 (14).

8 ••87b1102/3 •• 87b1226/2••SECTION 1014p. 49.50 (7) (f) of the statutes is  
9 created to read:

10 49.50 (7) (f) The department shall request a waiver from the secretary of  
11 the federal department of health and human services to allow the department to  
12 require participation in the program under this subsection or sub. (7c), (7j)  
13 or (7m) by a recipient of aid to families with dependent children who is a  
14 parent or other caretaker of a child who is at least 3 months of age but under  
15 6 years of age even if the other parent or another adult relative of the child  
16 is required to participate in one of those programs. If the waiver is in  
17 effect, the department may require program participation by the parent or  
18 other caretaker of a child who is at least 3 months of age as provided in the  
19 waiver.

20 ••87b0411/3••SECTION 1014r. 49.50 (7) (g) of the statutes is created to  
21 read:

22 49.50 (7) (g) An individual who is a recipient of aid under s. 49.19  
23 shall attend school to meet the participation requirements of the program  
24 under this subsection if all of the following apply:

25 1. The individual is 13 to 19 years of age.

26 2. The individual has not graduated from a public or private high school  
27 or obtained a declaration of equivalency of high school graduation under s.  
28 115.29 (4).

1           3.    The individual is physically able to attend school and is not excused  
2 from attending school under s. 118.15 (3).

3           4.    The individual is a parent with whom a dependent child is living, the  
4 child is at least 3 months of age and child care licensed under s. 48.65,  
5 certified under s. 48.651 or provided under s. 46.99 or 120.13 (14) is avail-  
6 able for the child.

7           5.    If the individual is an 18-year-old or 19-year-old parent with whom a  
8 dependent child is living, the individual is reasonably expected to graduate  
9 from high school before reaching age 20.

10           ••87b0411/3••SECTION 1014u.    49.50 (7) (h) of the statutes is created to  
11 read:

12           49.50 (7) (h) An individual who fails to meet the requirements under par.  
13 (g) and who has been given the opportunity to participate in a program for  
14 children at risk under s. 118.153 or a program for school age parents under s.  
15 115.92 is subject to sanctions as provided by the department by rule.

16           ••87b0411/3••SECTION 1014y.    49.50 (7) (i) of the statutes is created to  
17 read:

18           49.50 (7) (i) The department shall request a waiver from the secretary of  
19 the federal department of health and human services to permit the application  
20 of the school attendance requirement under par. (g). Paragraphs (e) 1, (g)  
21 and (h) do not apply unless the federal waiver is in effect. If a waiver is  
22 received, the department shall implement pars. (e) 1, (g) and (h) beginning  
23 with the fall 1987 school term, as defined under s. 115.001 (12), or on the  
24 date the waiver is effective, whichever is later.

25           ••87b1536/1 •• 87b1990/en••SECTION 1014ym.  49.50 (7) (im) of the statutes  
26 is created to read:

27           49.50 (7) (im) If the federal waiver under par. (i) is granted, the  
28 department of public instruction shall evaluate the effectiveness of the

1 school attendance requirement under par. (g) at keeping parents aged 13 to 19  
2 in school. On or before July 1, 1990, the department of public instruction  
3 shall submit a report of its findings to the chief clerk of each house of the  
4 legislature for distribution to the legislature under s. 13.172 (2). The  
5 report shall compare the effectiveness of the requirement under par. (g) in  
6 the following situations:

7 1. A place in which the requirement operates alone.

8 2. A place in which the requirement operates in conjunction with the  
9 guaranteed jobs program under s. 46.33.

10 3. A place in which the requirement operates in conjunction with a pro-  
11 gram operated by private organization which contracts to provide training and  
12 job placement for recipients of aid under s. 49.19.

13 4. A place in which the requirement operates in conjunction with an  
14 in-school day care program under s. 120.13 (14).

15 5. A place in which the requirement operates in conjunction with a pri-  
16 vate business scholarship program.

17 ••87b0556/1 •• 87b1226/2••SECTION 1014z. 49.50 (7) (j) of the statutes is  
18 created to read:

19 49.50 (7) (j) 1. Except as provided under subd. 2, an individual who  
20 graduates from a high school participating in the program under s. 46.33 at  
21 the time of the person's graduation who receives aid under s. 49.19 within 5  
22 years after high school graduation and who lives in the county in which the  
23 high school is located shall participate in the program under s. 46.33 to meet  
24 the participation requirements of the program under this subsection.

25 2. The department shall provide by rule for exceptions to the requirement  
26 under subd. 1 for individuals who are disabled, working or attending college,  
27 a vocational, technical and adult education school or other educational pro-

1 gram with a vocational objective or who lack transportation or for whom travel  
2 time to and from a training or job location would be excessive.

3 3. A participant in the program under s. 46.33 who receives benefits  
4 under s. 49.19 is eligible for supportive services provided under par. (a) and  
5 sub. (7j) including postplacement child care funds under sub. (7j) (e).

6 4. The department shall request a waiver from the secretary of the fed-  
7 eral department of health and human services to permit the application of the  
8 requirement under subd. 1. Subdivision 1 does not apply unless the federal  
9 waiver is in effect.

10 ••87-2090/6••SECTION 1015. 49.50 (7g) (a) of the statutes is amended to  
11 read:

12 49.50 (7g) (a) In conjunction with the program under sub. (7), the  
13 department may administer by contract, ~~in up to 10 counties,~~ projects of grant  
14 diversion for recipients of aid to families with dependent children under the  
15 federal work supplementation program authorized by 42 USC 614. Under a grant  
16 diversion project, the department may use all or a part of the grant of an  
17 individual receiving aid to families with dependent children provided under s.  
18 49.19 to supplement wages for a job performed by that individual under a con-  
19 tract between the department or its designated representative and a govern-  
20 mental unit or another individual, a corporation, including a nonprofit  
21 corporation, a partnership or any other association.

22 ••87b0433/2••SECTION 1015m. 49.50 (7g) (c) 2 of the statutes is amended  
23 to read:

24 49.50 (7g) (c) 2. The federal minimum hourly wage ~~prescribed by 29 USC~~  
25 ~~206 (a) (1) under s. 104.025 (2) (a).~~

26 ••87b0411/3••SECTION 1015p. 49.50 (7g) (ca) of the statutes is amended to  
27 read:

1       49.50 (7g) (ca) ~~Payment Except as provided under par. (cm),~~ payment under  
2 par. (c), after the earned income disregards under s. 49.19 (5) (a) 2 and 3  
3 have been applied, shall additionally be subject, for 9 consecutive months, to  
4 an earned income disregard of \$30 and a disregard equal to one-third of the  
5 remaining earned income.

6       ••87b0411/3••SECTION 1015r. 49.50 (7g) (cm) of the statutes is created to  
7 read:

8       49.50 (7g) (cm) Payment under par. (c), after the earned income  
9 disregards under s. 49.19 (5) (a) 2 and 3 have been applied, shall addition-  
10 ally be subject, for 9 consecutive months, to an earned income disregard of  
11 \$30 and a disregard equal to one-sixth of the remaining earned income. This  
12 paragraph does not apply unless the federal waiver under s. 49.19 (5) (am) is  
13 in effect.

14       ••87-2090/6••SECTION 1016. 49.50 (7j) (title) and (a) of the statutes are  
15 amended to read:

16       49.50 (7j) (title) WORK EXPERIENCE AND JOB TRAINING PROGRAM. (a) The  
17 department shall administer a work experience and job training ~~pilot~~ program  
18 in conjunction with the program under sub. (7) for recipients of aid to fam-  
19 ilies with dependent children under s. 49.19 and for other persons pursuant to  
20 a contract under s. 49.51. The department shall ensure that the ~~pilot~~ program  
21 is coordinated with programs under the job training partnership act, 29 USC  
22 1501 to 1781, and other job training programs. ~~The department shall select 2~~  
23 ~~or more counties, from the counties in which the program under sub. (7)~~  
24 ~~operates, to participate in the pilot program.~~ The department shall promul-  
25 gate rules for the administration of the ~~pilot~~ program. The department shall  
26 provide services under this subsection starting no later than January 1, 1987.

27       ••87b0411/3••SECTION 1016m. 49.50 (7j) (ae) of the statutes is created to  
28 read:



1       49.50 (7j) (ae) Notwithstanding par. (b), the department shall contract  
2 with a community action agency, under s. 46.30, for the administration of the  
3 program under this section in a portion of a county with a population of  
4 500,000 or more.

5       ••87-2090/6••SECTION 1017. 49.50 (7j) (am) of the statutes is repealed.

6       ••87-2090/6••SECTION 1018. 49.50 (7j) (as) of the statutes is repealed  
7 and recreated to read:

8       49.50 (7j) (as) A recipient of aid to families with dependent children  
9 under s. 49.19 who is not required to participate in the program under this  
10 subsection may volunteer to participate in the program.

11       ••87-2090/6••SECTION 1019. 49.50 (7j) (b) of the statutes is amended to  
12 read:

13       49.50 (7j) (b) The department may provide services for the ~~pilot~~ program  
14 under this subsection directly or by contract with a public or private agency.  
15 Notwithstanding s. 16.75 (6), any contract for the purchase of services for  
16 the ~~pilot~~ project shall be awarded by competitive bidding or by competitive  
17 sealed proposals.

18       ••87-2090/6••SECTION 1020. 49.50 (7j) (c) (intro.) of the statutes is  
19 amended to read:

20       49.50 (7j) (c) (intro.) The ~~pilot~~ project established under this subsec-  
21 tion shall include all of the following:

22       ••87-2090/6••SECTION 1021. 49.50 (7j) (cm) of the statutes is amended to  
23 read:

24       49.50 (7j) (cm) The department shall ensure that individuals who are  
25 required or who volunteer to participate in the ~~pilot~~ program under this sub-  
26 section are informed of the sanctions which may be imposed in connection with  
27 the ~~pilot~~ program.

1       ••87-2090/6••SECTION 1022. 49.50 (7j) (d) 1 of the statutes is amended to  
2 read:

3       49.50 (7j) (d) 1. A community work experience program under 42 USC 609  
4 established as a part of the ~~pilot~~ program under this subsection shall be  
5 subject to this paragraph and the rules promulgated under par. (a), notwith-  
6 standing ~~ss. 46.215 (1) (o), 46.22 (1) (b) 11 and 49.19 (4) (ds)~~ sub. (7m).  
7 Rules promulgated by the department under sub. (7m) (k) apply to a community  
8 work experience program established as part of the ~~pilot~~ program under this  
9 subsection to the extent that they do not conflict with this subsection.

10       ••87-2090/6••SECTION 1023. 49.50 (7j) (d) 2 of the statutes is amended to  
11 read:

12       49.50 (7j) (d) 2. A county participating in the work experience and job  
13 training ~~pilot~~ program under this subsection shall establish a community work  
14 experience program. The ~~pilot~~ county shall pay 10% of the federally allowable  
15 administrative costs of the community work experience program that are not  
16 reimbursed by the federal government and the department shall, from the  
17 appropriation under s. 20.435 (4) (df), reimburse the county for the remainder  
18 of the federally allowable administrative costs not reimbursed by the federal  
19 government.

20       ••87-2090/6••SECTION 1024. 49.50 (7j) (d) 3. (intro.) of the statutes is  
21 amended to read:

22       49.50 (7j) (d) 3. (intro.) In each county participating in the ~~pilot~~  
23 program, the county executive or county administrator or, if the county has no  
24 county executive or county administrator, the chairperson of the county board  
25 shall appoint a council, to be known as the community work experience program  
26 council, to coordinate job placements at job sites for the program under this  
27 paragraph. The community work experience program council shall include the  
28 following members:

1       ••87-2090/6••SECTION 1025. 49.50 (7j) (d) 4 of the statutes is amended to  
2 read:

3       49.50 (7j) (d) 4. ~~A person shall participate in the community work~~  
4 ~~experience program under this paragraph if the person has completed the rest~~  
5 ~~of the work experience and job training pilot program and remains unemployed.~~  
6 No person may be required to work for more than 16 weeks or more than 32 hours  
7 per week in the community work experience program. Any person who would  
8 otherwise be exempt from registering for a work program because the person is  
9 caring for a child whose age is less than 6 years but who volunteers for the  
10 pilot program under this subsection shall be required to participate in a  
11 community work experience program if child day care licensed under s. 48.65  
12 (1) or certified under s. 48.651 is available for the child. If the waiver  
13 under sub. (7) (f) is in effect, the department may require a recipient of aid  
14 under s. 49.19 who is caring for a child who is at least 3 months but less  
15 than 6 years of age to participate in a community work experience program if  
16 child day care licensed under s. 48.65 (1) or certified under s. 48.651 is  
17 available for the child.

18       ••87-2090/6••SECTION 1026. 49.50 (7j) (d) 6 of the statutes is amended to  
19 read:

20       49.50 (7j) (d) 6. A Except as provided in subd. 6m, a recipient of aid to  
21 families with dependent children who is caring for a child under the age of 3  
22 and who is not required to participate in the pilot program established under  
23 this subsection but who volunteers to participate shall be informed of the  
24 provisions of subd. 4 and that the penalties under subd. 7 apply to a volun-  
25 tary participant unless the participant has withdrawn from the community work  
26 experience program after giving 20 days' advance notice of his or her intent  
27 to withdraw.

1       ••87b1102/3 •• 87b1226/2••SECTION 1026c. 49.50 (7j) (d) 6m of the stat-  
2 utes is created to read:

3       49.50 (7j) (d) 6m. A recipient of aid to families with dependent children  
4 who is not required to participate in the program established under this sub-  
5 section because of the age of the child for whom the person is the caretaker  
6 but who volunteers to participate shall be informed of the provisions of subd.  
7 4 and that the penalties under subd. 7 apply to a voluntary participant unless  
8 the participant has withdrawn from the community work experience program after  
9 giving 20 days' advance notice of his or her intent to withdraw. This sub-  
10 division only applies if a waiver is in effect under sub. (7) (f) and if,  
11 under the waiver, the department requires participation in the program under  
12 this subsection by a person who is the caretaker of a child under the age of 6  
13 years.

14       ••87b1102/3 •• 87b1226/2••SECTION 1026g. 49.50 (7j) (d) 7 of the statutes  
15 is amended to read:

16       49.50 (7j) (d) 7. Except as provided in subd. 6 or 6m, if a participant  
17 in the community work experience program under this paragraph fails or  
18 refuses, without good cause, to participate in the program, sanctions shall  
19 apply as specified in 45 CFR 238.22.

20       ••87-2090/6••SECTION 1027. 49.50 (7j) (e) of the statutes is amended to  
21 read:

22       49.50 (7j) (e) As part of the ~~pilot~~ program under this subsection, the  
23 department shall provide funds to pay child care costs of individuals who  
24 secure unsubsidized employment following participation in the ~~pilot~~ program  
25 and lose eligibility for aid to families with dependent children because of  
26 earned income. The funds shall be used to provide care for children for all  
27 or part of a day during which the individual works. The child care services  
28 must be provided by a child care provider as defined in s. 46.98 (1) (a). The

1 department shall establish a formula for assistance under this paragraph based  
2 on ability to pay. The rates for child care services under this paragraph  
3 shall be determined as provided under s. 46.98 (4) (d).

4 ••87-2090/6••SECTION 1028. 49.50 (7j) (em) of the statutes is amended to  
5 read:

6 49.50 (7j) (em) If child care funds provided in the ~~pilot~~ program under  
7 this subsection are insufficient to meet the needs of participants in the  
8 ~~pilot~~ program, a county may give priority for aid under s. 46.98 to partici-  
9 pants in the ~~pilot~~ program, after meeting the needs of all parents eligible  
10 under s. 46.98 (4) (a) 4; however, a county may not reduce or terminate aid  
11 provided to any parent under s. 46.98 in order to provide aid to participants  
12 in the ~~pilot~~ this program.

13 ••87-2090/6••SECTION 1029. 49.50 (7j) (f) of the statutes is amended to  
14 read:

15 49.50 (7j) (f) The department shall request a waiver from the secretary  
16 of the federal department of health and human services under 42 USC 1396n (c)  
17 to permit the department to provide medical assistance benefits in the  
18 circumstances under s. 49.46 (1) (cm) for 12 months, rather than 9 months,  
19 following the month in which the family is ineligible for aid to families with  
20 dependent children only to families in which one or more members secure  
21 employment following participation in the ~~pilot~~ program under this subsection.  
22 If a waiver is received, the department shall provide medical assistance  
23 benefits beginning January 1, 1987, or the date of the waiver, whichever is  
24 later, in the circumstances under s. 49.46 (1) (cm) for 12 months following  
25 the month in which the family is ineligible for aid to families with dependent  
26 children to families in which one or more members secure employment following  
27 participation in the ~~pilot~~ program under this subsection.

1       ••87b1531/3 •• 87b1990/en••SECTION 1029m. 49.50 (7j) (fm) of the statutes  
2 is created to read:

3       49.50 (7j) (fm) In 2 counties participating in the program under this  
4 subsection, the department shall ensure that grant diversion under sub. (7g)  
5 is used to fund jobs in nonprofit organizations and governmental units in  
6 addition to jobs in businesses that operate for profit.

7       ••87-2090/6••SECTION 1030. 49.50 (7j) (g) of the statutes is amended to  
8 read:

9       49.50 (7j) (g) The department shall submit a report evaluating the  
10 effectiveness of the ~~pilot~~ program established under this subsection and con-  
11 taining its findings and recommendations on which components of the ~~pilot~~  
12 program under this subsection should be implemented statewide to the presiding  
13 officer of each house of the legislature by July 1, 1988.

14       ••87-2090/6••SECTION 1031. 49.50 (7m) of the statutes is repealed and  
15 recreated to read:

16       49.50 (7m) COMMUNITY WORK EXPERIENCE PROGRAM. (a) A county department  
17 under s. 46.215, 46.22 or 46.23 may establish a community work experience  
18 program under 42 USC 609.

19       (b) In each county in which the program under this subsection is  
20 established, the county executive or county administrator or, if the county  
21 has no county executive or county administrator, the chairperson of the county  
22 board shall appoint a council, to be known as the community work experience  
23 program council, to coordinate job placements at job sites for the program  
24 under this subsection. The community work experience program council shall  
25 include the following members:

- 26       1. An elected county official.  
27       2. A representative of the county department under s. 46.215, 46.22 or  
28 46.23.

1 3. A representative of a local school district.

2 4. A representative of organized labor.

3 5. A recipient of aid to families with dependent children or a repre-  
4 sentative of a recipient advocacy group.

5 6. A representative of private business nominated by the area private  
6 industry council under the job training partnership act, 29 USC 1501 to 1781.

7 7. A representative of the office which administers the program under  
8 sub. (7) in the county, if the program under sub. (7) operates in the county.

9 (c) A person participating in a community work experience program in a  
10 county is considered an employe of that county for purposes of worker's  
11 compensation benefits only.

12 (d) A community work experience program may not be operated so as to  
13 supplant a regular employe of any governmental unit or fill an established  
14 vacant governmental job.

15 (e) No person may be required to work more than 32 hours per week in the  
16 program under this subsection. No person may be required to work more than 16  
17 weeks in the program under this subsection.

18 (f) Except as provided in par. (fm), any recipient of aid under s. 49.19  
19 who would otherwise be exempt from registering for a work program because the  
20 recipient is caring for a child who is at least 3 years but less than 6 years  
21 of age may be required to participate in a community work experience program  
22 if child day care licensed under s. 48.65 (1) or certified under s. 48.651 is  
23 available for the child.

24 (fm) If the waiver under sub. (7) (f) is in effect, the department may  
25 require a recipient of aid under s. 49.19 who is caring for a child who is at  
26 least 3 months but less than 6 years of age to participate in a community work  
27 experience program if child day care licensed under s. 48.65 (1) or certified  
28 under s. 48.651 is available for the child.

1 (g) A county department operating a program under this subsection shall  
2 assist a person who is subject to par. (f) or (fm) to obtain child day care  
3 licensed under s. 48.65 (1) or certified under s. 48.651.

4 (h) If a person who is required to participate in a program under this  
5 subsection fails or refuses, without good cause, to participate in the  
6 program, sanctions shall apply as provided in 45 CFR 238.22.

7 (i) Prior to imposing a sanction on a person for failure to participate  
8 in the community work experience program, the county department under s.  
9 46.215, 46.22 or 46.23 shall notify the person in writing of the reason for  
10 the proposed sanction. The notice must inform the person of the right to  
11 explain any disagreement with the decision informally by contacting the county  
12 department within 10 working days after the written notice. This right shall  
13 be in addition to the right to a formal review under 45 CFR 238.24.

14 (j) A county department under s. 46.215, 46.22 or 46.23 which establishes  
15 a program under this subsection shall pay 10% of the federally allowable  
16 administrative costs of the program that are not reimbursed by the federal  
17 government and the department of health and social services shall, from the  
18 appropriation under s. 20.435 (4) (df), reimburse the county department for  
19 the remainder of the federally allowable administrative costs not reimbursed  
20 by the federal government.

21 (jm) From the appropriation under s. 20.435 (4) (df), the department  
22 shall use available funds to pay child care costs of individuals who secure  
23 unsubsidized employment following participation in a program under this sub-  
24 section and lose eligibility for aid to families with dependent children  
25 because of earned income. The funds shall be used to provide care for chil-  
26 dren for all or part of a day during which the individual works. The child  
27 care services must be provided by a child care provider as defined in s. 46.98  
28 (1) (a). The department shall establish a formula for assistance under this



1 paragraph based on ability to pay. The rates for child care services under  
2 this paragraph shall be determined as provided under s. 46.98 (4) (d).

3 (k) The department shall promulgate rules for the administration of com-  
4 munity work experience programs under this subsection.

5 ••87b0411/3••SECTION 1031m. 49.50 (7s) of the statutes is created to  
6 read:

7 49.50 (7s) SELF-EMPLOYMENT AND PLACEMENT PILOT PROJECT. (a) The  
8 department shall contract with the department of development for the adminis-  
9 tration of a self-employment and placement pilot project for recipients of aid  
10 under s. 49.19.

11 (b) The department of development shall operate the pilot project at one  
12 or 2 sites at which other employment and training services exist for recip-  
13 ients of aid under s. 49.19.

14 (c) The pilot project shall include all of the following:

15 1. Contracts between the department of development and local providers  
16 for services including coordination of participant training and technical  
17 assistance.

18 2. Loans for establishing small businesses, as provided under par. (d).

19 (d) The department of development shall administer a self-employment loan  
20 fund. The department of development shall enter into a contract with a  
21 financial institution, as defined under s. 710.05 (1) (c), under which the  
22 department of development deposits funds in the financial institution and the  
23 financial institution makes loans to, or on behalf of, participants in the  
24 pilot program for establishing small businesses. The contract may require the  
25 financial institution to provide a portion of the loan amounts. The depart-  
26 ment of development may directly make loans which are not covered by the con-  
27 tract with the financial institution.

1 (e) The department may apply to the secretary of the federal department  
2 of health and human services for a waiver to allow participants in the program  
3 under this subdivision to receive loans under par. (d) and remain eligible for  
4 aid under s. 49.19.

5 (f) A person operating a business established under the pilot project  
6 shall to the extent possible hire recipients of aid under s. 49.19.

7 ••87b0544/1 •• 87b1226/2••SECTION 1031mm. 49.50 (7w) of the statutes is  
8 created to read:

9 49.50 (7w) CASE MANAGEMENT PILOT PROJECT. (a) The department shall  
10 establish a pilot case management system in 2 counties which participate in  
11 the work experience and job training program under sub. (7j).

12 (b) The case management system shall include the preparation of a case  
13 management contract by the county department under s. 46.215, 46.22 or 46.23  
14 for each family initially determined to be eligible for benefits under s.  
15 49.19. To the extent possible, the county department shall involve the family  
16 in developing the contract. The county department shall design each plan to  
17 enable the family to become independent of benefits under this section by  
18 addressing the causes of the family's dependency through the use of available  
19 public and private programs and services.

20 (c) Compliance with the contract developed under par. (b) is a mandatory  
21 condition of participation in the program under sub. (7) or (7j) for a person  
22 required to register for either of those programs.

23 (d) A person who is not required to register for the program under sub.  
24 (7) or (7j) is subject to administrative sanctions for violating the contract  
25 developed under par. (b).

26 (e) The department shall reimburse the counties, from the appropriation  
27 under s. 20.435 (4) (de) for the cost of the pilot program under this  
28 subsection.