

FISCAL ESTIMATE

DOA-2048 N(R10/96)

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject

Exemption from Resource Allocation Program for State Centers and New Veterans Facility in Southeastern Wisconsin

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

- Increase Costs - May be possible to Absorb Within Agency's Budget Yes No
 Decrease Costs

Local: No local government costs

- | | | |
|---|---|--|
| <p>1. <input type="checkbox"/> Increase Costs
 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> <p>2. <input type="checkbox"/> Decrease Costs
 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> | <p>3. <input type="checkbox"/> Increase Revenues
 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> <p>4. <input type="checkbox"/> Decrease Revenues
 <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</p> | <p>5. Types of Local Governmental Units Affected:
<input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities
<input type="checkbox"/> Counties <input type="checkbox"/> Others _____
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts</p> |
|---|---|--|

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

Under current law the construction of new nursing home beds, increases in nursing home bed capacity, certain large capital expenditures and clinical equipment expenditures, and the conversion of a nursing home to a developmental disability facility are subject to the state resource allocation program. Under this program, none of these activities may be undertaken without the approval of the department of health and family services. Currently this program only applies to an increase in the bed capacity at Wisconsin Veterans Home at King. Under this bill, the program would not apply to the veterans nursing care facilities in Wisconsin nor to the three state centers for the developmentally disabled.

By exempting the three state centers for the developmentally disabled and the veterans nursing care facilities in Wisconsin from the resource allocation program, the Department of Health and Family Services (DHFS) expects to gain administrative efficiency by the elimination of duplicated procedures. The resource allocation program is designed to monitor and control budget and capital expenditures of nursing homes not operated by the state. Because the state centers and the new veterans facility are operated by the state, and the legislature approves expenditures for these facilities, the resource allocation program duplicates the monitoring and control procedure of the state and legislature.

Although this bill is expected to ¹⁰create administrative efficiency for DHFS, the efficiencies created cannot be estimated at this time. Therefore this bill is expected to have no fiscal effect.

Long-Range Fiscal Implications

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Date

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3/10/00