

**1999 DRAFTING REQUEST**

**Bill**

Received: 01/14/2000

Received By: **kenneda**

Wanted: **As time permits**

Identical to LRB:

For: **Rodney Moen (608) 266-8546**

By/Representing: **Melissa White (aide)**

This file may be shown to any legislator: **NO**

Drafter: **kenneda**

May Contact: **LFB; F. McIntosh; T. Ramsay, G.**

Alt. Drafters:

Subject: **Public Assistance - med. assist.**

Extra Copies: **ISR**

**Pre Topic:**

No specific pre topic given

**Topic:**

Increase medical assistance wages and fringe benefits for nursing home housekeeping and laundry and food workers

**Instructions:**

Same as SECTION 9123 (9m) (b) and (c) of 1999 Wis Act 9 (vetoed), but require money as of 7/1/00, and DHFS to pay beginning 10/1/00

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/2	kenneda 02/08/2000	gilfokm 02/08/2000	martykr 02/09/2000	_____	lrb_docadmin 02/09/2000		S&L
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	02/23/2000	02/23/2000	02/23/2000 _____		02/23/2000	02/28/2000	

FE Sent For:

3/7/00

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Page 2

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*km2/9*

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km2/9*

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Drafter: kenneda

May Contact: Richard Megna, LFB

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FE Sent For:

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From Melissa White: 1/14/00 - Increase for n.b. workers / of 3.5%  
9123 (9m) (b) of Act 9 (Vetoed)  
Have draft cover only housekeeping + laundry  
workers + food workers

Eff date 7/1/00 - ∴ not retroactive; DHS to  
pay out beginning 10/1/00

From Richard Megna:  
\$ 4,550,000 all funds

change in appropriation	GPR	2,181,400
	FED	<u>2,368,600</u>

(Lower IGT's, so Fed costs go down + GPR  
costs up)

5. Whether or not the facility's reporting period corresponds to the supplement payment period.

6. Any other factor that the department determines is relevant and that is readily available in the data base of the department.

Vetoed  
In Part

(b) In addition to any facility payment rate increases for state fiscal years 1999-2000 and 2000-01, in order to permit a facility, as defined in section 49.45 (6m) (a) 3. of the statutes, to increase, beginning July 1, 1999, wages or salaries and fringe benefits for or increase staff hours of housekeeping and laundry workers, dietitians and food workers, as determined by the department of health and family services, from the appropriations under section 20.435 (4) (b) and (c) of the statutes the department shall, beginning October 1, 1999, supplement facility payment rates under section 49.45 (6m) (av) of the statutes by an amount not to exceed \$3,562,300 in state fiscal year 1999-2000 and \$4,749,800 in state fiscal year 2000-01, or by multiplying the total amount of the wages reported in the 1998 cost reports of facilities by the percentage obtained under paragraph (bg), whichever is less. The department shall calculate each facility's maximum payment per patient day under this paragraph by multiplying by the percentage obtained under paragraph (bg) the amount obtained by dividing the total of the facility's housekeeping and laundry workers', dietitians' and food workers' wages or salaries by the total number of patient days of the facility, as indicated by the facility's 1998 cost reports. Each facility may apply to the department for up to the total maximum amount per patient day calculated for the facility and receive that supplemental amount for each medical assistance day of service provided.

(bg) The department of health and family services shall determine what percentage of the total amount of facilities' wages for housekeeping and laundry workers, dietitians and food workers reported in the 1998 cost reports of facilities will, in the best estimation of the department, most nearly equal the specified amounts of moneys under paragraph (b).

(bm) In order to ensure that a supplement provided to a facility under paragraph (b) was expended in accordance with the purpose specified in paragraph (b), the department of health and family services shall prepare a supplemental application form for completion by facilities in applying for the supplement, to determine whether the facility's housekeeping and laundry workers', dietitians' and food workers', wage or salary and fringe benefits costs per patient day have increased during the period after June 30, 1999, and before July 1, 2000, by a percentage that is at least equal to the percentage of increase obtained under paragraph (bg). The department shall adjust the required percentage increase to account for all of the following:

1. Any payment rate increase or decrease applicable to the facility that is in effect beginning July 1, 1999, and is other than the supplement under paragraph (b).

2. The fact that the wage supplement percentage increase is based only on wages and salaries, while the cost comparison also includes fringe benefits.

3. Any decrease or increase in the facility's expenditures for contracted labor services.

4. Any change in the facility's patient acuity levels.

5. Whether or not the facility's reporting period corresponds to the supplement payment period.

6. Any other factor that the department determines is relevant and that is readily available in the data base of the department.

Vetoed  
In Part

(c) If the department of health and family services determines that a supplement under paragraph (a) provided to a facility was not expended as required under paragraph (am) or that a supplement under paragraph (b) provided to a facility was not expended as required under paragraph (bm), the department may recoup that part of the supplement that was not expended as required.

Vetoed  
In Part

(9n) LIMITATION ON REDUCTION OF REIMBURSEMENT FOR PHARMACEUTICAL DRUGS. During the 1999-2001 fiscal biennium, the department of health and family services may not discount the average wholesale price of pharmaceutical drugs provided under section 49.45 of the statutes to medical assistance recipients by more than 10% if the department reimburses for those pharmaceuticals under a formula that takes into account the average wholesale price, and the department may not reduce pharmacy dispensing fees.

(9q) DENTAL OUTREACH AND EDUCATION. The department of health and family services shall develop a dental outreach and education plan for dentists and medical assistance recipients to educate recipients on the importance of oral health for children and the parent's role in achieving it, how to access dental services, expectations and appropriate behavior in a dental office and the importance of keeping scheduled appointments. The department of health and family services shall develop the plan in consultation with the department of public instruction, the department of workforce development, the Wisconsin dental association, state dental and dental hygiene schools, community health care providers, medical assistance recipients and health care advocates. Not later than January 1, 2000, the department of health and family services shall submit the plan to the governor and to the appropriate standing committees of the legislature in the manner provided under section 13.172 (3) of the statutes. The department of health and family services shall include with the plan a fiscal estimate for implementing the plan on a statewide basis, identifying those components of the plan that would be eligible for funding under federal temporary assistance for needy families block grant funding or federal medical assistance administrative matching funds.

(10c) KINSHIP CARE SUPPLEMENT. From the appropriation under section 20.435 (3) (kc) of the statutes, the department of health and family services shall allocate

Vetoed  
In Part



SOON - In edit 1/18

State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-4224/1

DAK... King

1999 BILL

WPO:  
Check auto refs.

Edm. Act.

1 AN ACT ...; relating to: medical assistance wage or salary and fringe benefits  
2 supplements for nursing home housekeeping, laundry and food workers and  
3 making an appropriation.

**Analysis by the Legislative Reference Bureau**

Under current law, the department of health and family services (DHFS) pays a combination of general purpose revenues and federal Medicaid moneys to nursing homes for care provided to recipients of medical assistance (MA). DHFS must calculate a payment rate for a nursing home by applying, to information from cost reports for the nursing home's previous fiscal year, a statutory formula that includes specified standards and considers specified cost centers and allowable costs. Among the cost centers that DHFS must consider is allowable support service costs, including dietary service and environmental service (providing maintenance, housekeeping, laundry and security services).

\*

This bill provides a supplement of \$4,550,000 of general purpose revenues and federal Medicaid moneys to the MA payment rates for nursing homes, beginning July 1, 2000, for the payment of wages or salaries and fringe benefits for or an increase in the staff hours of housekeeping, laundry and food workers. Each nursing home may apply to DHFS and receive up to the total maximum amount per patient day that DHFS calculates for the nursing home, under a method specified in the bill. In order to ensure that each nursing home expends the supplement for the wages or salaries and fringe benefits, each nursing home must complete a form, prepared by DHFS, to determine if the nursing home's housekeeping, laundry and food workers' <sup>WPO: add 5</sup> <sup>ON</sup>

for the wages or salaries

**BILL**

wage or salary and fringe benefits costs per patient day increased during the ~~twelve~~ <sup>the</sup> 12 months following the increase by a percentage that equals the percentage of the supplement under the bill. DHFS may adjust the percentage increase to account for specific factors. If DHFS determines that any part of supplement provided to a nursing home was not expended as required, DHFS may recoup that part of the supplement.

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

INSERT  
2-1

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

WPO: In nonstats., fix component names and use auto-numbering.

**SECTION 1. Nonstatutory provisions.**

<sup>↖ auto ref. 1-KA</sup> (1) FACILITY PAYMENT, WAGE OR SALARY AND FRINGE BENEFITS SUPPLEMENT. (a) In

<sup>↖ auto ref. 1-KB</sup> addition to any facility payment increases for state fiscal year 2000-01, in order to

permit a facility, as defined in section 49.45 (6m) (a) 3. of the statutes, to increase,

beginning <sup>bn</sup> July 1, 2000, wages or salaries and fringe benefits for or increase staff

hours of housekeeping, laundry and food workers, as determined by the department

of health and family services, from the appropriations under section 20.435 (4) (b)

and (o) of the statutes <sup>on</sup> the department shall, beginning October 1, 2000, supplement

facility payment rates under section 49.45 (6m) (av) of the statutes by an amount not

to exceed \$4,550,000 in state fiscal year 2000-01, or by multiplying the total amount

of the wages reported in the 1998 cost reports of facilities by the percentage obtained

<sup>↖ a.r.</sup> under paragraph (b), whichever is less. The department shall calculate each

facility's maximum payment per patient day under this paragraph by multiplying

<sup>↖ a.r.</sup> by the percentage obtained under paragraph (b) the amount obtained by dividing the

total of the facility's housekeeping, laundry and food workers' wages or salaries by

the total number of patient days of the facility, as indicated by the facility's 1998 cost

reports. Each facility may apply to the department for up to the total maximum

**BILL**

1 amount per patient day calculated for the facility and receive that supplemental  
2 amount for each medical assistance day of service provided.

*or salaries*

3 (b) The department of health and family services shall determine what  
4 percentage of the total amount of facilities' wages for housekeeping, laundry and food  
5 workers reported in the 1998 cost reports of facilities will, in the best estimation of  
6 the department, most nearly equal the specified amounts of moneys under  
7 paragraph (a).

8 (c) In order to ensure that a supplement provided to a facility under paragraph  
9 (a) was expended in accordance with the purpose specified in paragraph (a), the  
10 department of health and family services shall prepare a supplemental application  
11 form for completion by facilities in applying for the supplement, to determine  
12 whether the facility's housekeeping, laundry and food workers' wage or salary and  
13 fringe benefits costs per patient day have increased during the period after June 30,  
14 2000, and before July 1, 2001, by a percentage that is at least equal to the percentage  
15 of increase obtained under paragraph (b). The department shall adjust the required  
16 percentage increase to account for all of the following:

17 1. Any payment rate increase or decrease applicable to the facility that is in  
18 effect beginning <sup>on</sup> July 1, 2000, and is other than the supplement under paragraph (a).

19 2. The fact that the wage supplement percentage increase is based only on  
20 wages and salaries, while the cost comparison also includes fringe benefits.

21 3. Any decrease or increase in the facility's expenditures for contracted labor  
22 services.

23 4. Any change in the facility's patient acuity levels.

24 5. Whether or not the facility's reporting period corresponds to the supplement  
25 payment period.

BILL

SECTION 1

1 6. Any other factor that the department determines is relevant and that is  
2 readily available in the database of the department.

3 (d) If the department of health and family services determines that a  
4 supplement under paragraph (a) provided to a facility was not expended as required  
5 under paragraph (c), the department may recoup that part of the supplement that  
6 was not expended as required.

7 SECTION 2. Appropriation changes.

SALARIES AND FRINGE BENEFITS

8 (1) FACILITY PAYMENT; WAGE<sup>s</sup> OR ~~SALARY~~. In the schedule under section 20.005 (3)  
9 of the statutes for the appropriation to the department of health and family services  
10 under section 20.435 (4) (b) of the statutes, as affected by the acts of 1999, the dollar  
11 amount is increased by \$2,181,400 for fiscal year 2000-01 to provide a facility  
12 medical assistance payment rate increase for wages or salaries and fringe benefits  
13 for or an increase of staff hours of housekeeping, laundry and food workers.

14 (END)

~~under section~~  
under section  
20.435 (b)  
of the statutes  
a



INSERT 2-1 ✓  
1999-2000 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-4224/lins

.....

1           **SECTION 1.** 20.435 (4) (b) of the statutes, as affected by 1999 Wisconsin Act 9,  
2 is amended to read:

3           20.435 (4) (b) *Medical assistance program benefits.* Biennially, the amounts in  
4 the schedule to provide the state share of medical assistance program benefits  
5 administered under s. 49.45, to provide medical assistance program benefits  
6 administered under s. 49.45 that are not also provided under par. (o), to fund the pilot  
7 project under s. 46.27 (9) and (10), to provide the facility payments under 1999  
8 Wisconsin ~~Act 9~~ <sup>plan</sup> ~~Act 9~~, section 9123 (9m), and ~~...~~ <sup>1999 Wisconsin Act</sup> (this act), section ~~(1)~~ <sup>(1)</sup>,  
9 to fund services provided by resource centers under s. 46.283 and for services under  
10 the family care benefit under s. 46.284 (5). Notwithstanding s. 20.002 (1), the  
11 department may transfer from this appropriation to the appropriation under sub. (7)  
12 (kb) funds in the amount of and for the purposes specified in s. 46.485.  
13 Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or  
14 deposit into this appropriation and may transfer between fiscal years funds that it  
15 transfers from the appropriation under sub. (7) (kb) for the purposes specified in s.  
16 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this  
17 appropriation to the appropriation account under sub. (7) (bd) funds in the amount  
18 and for the purposes specified in s. 49.45 (6v).

auto ref. 1-KB  
auto ref. 1-KA



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-4224/1  
DAK:kmg:hmh

1999 BILL

From Forbes Mc Intosh  
Braydenic + Assoc  
255-0566  
FA 255-4612  
email: mcintosh@ixpress.net

To: Debra Kennedy

This is a copy of the draft revisions. If  
you have any questions please call Sen. Moe's  
office 264-8546.

- 1 AN ACT to amend 20.435 (4) (b) of the statutes; relating to: medical assistance
- 2 wage or salary and fringe benefits supplements for nursing home
- 3 housekeeping, laundry and food workers and making an appropriation.

**Analysis by the Legislative Reference Bureau**

Under current law, the department of health and family services (DHFS) pays a combination of general purpose revenues and federal medicaid moneys to nursing homes for care provided to recipients of medical assistance (MA). DHFS must calculate a payment rate for a nursing home by applying, to information from cost reports for the nursing home's previous fiscal year, a statutory formula that includes specified standards and considers specified cost centers and allowable costs. Among the cost centers that DHFS must consider is allowable support service costs, including dietary service and environmental service (providing maintenance, housekeeping, laundry and security services).

This bill provides a supplement of \$4,550,000 of general purpose revenues and federal medicaid moneys to the MA payment rates for nursing homes, beginning on July 1, 2000, for the payment of wages or salaries and fringe benefits for or an increase in the staff hours of housekeeping, laundry and food workers. Each nursing home may apply to DHFS and receive up to the total maximum amount per patient day for the wages or salaries that DHFS calculates for the nursing home, under a method specified in the bill. In order to ensure that each nursing home expends the supplement for the wages or salaries and fringe benefits, each nursing home must complete a form, prepared by DHFS, to determine if the nursing home's

**BILL**

housekeeping, laundry and food workers' wage or salary and fringe benefits costs per patient day increased during the 12 months following the increase by a percentage that equals the percentage of the supplement under the bill. DHFS may adjust the percentage increase to account for specific factors. If DHFS determines that any part of the supplement provided to a nursing home was not expended as required, DHFS may recoup that part of the supplement.

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

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

1           **SECTION 1.** 20.435 (4) (b) of the statutes, as affected by 1999 Wisconsin Act 9,  
2 is amended to read:

3           20.435 (4) (b) *Medical assistance program benefits.* Biennially, the amounts in  
4 the schedule to provide the state share of medical assistance program benefits  
5 administered under s. 49.45, to provide medical assistance program benefits  
6 administered under s. 49.45 that are not also provided under par. (o), to fund the pilot  
7 project under s. 46.27 (9) and (10), to provide the facility payments under 1999  
8 Wisconsin Act 9, section 9123 (9m), and 1999 Wisconsin Act ... (this act), section 2  
9 (1) to fund services provided by resource centers under s. 46.283 and for services  
10 under the family care benefit under s. 46.284 (5). Notwithstanding s. 20.002 (1), the  
11 department may transfer from this appropriation to the appropriation under sub. (7)  
12 (kb) funds in the amount of and for the purposes specified in s. 46.485.  
13 Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or  
14 deposit into this appropriation and may transfer between fiscal years funds that it  
15 transfers from the appropriation under sub. (7) (kb) for the purposes specified in s.  
16 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this  
17 appropriation to the appropriation account under sub. (7) (bd) funds in the amount  
18 and for the purposes specified in s. 49.45 (6v).

**BILL**

1           **SECTION 2. Nonstatutory provisions.**

2           (1) FACILITY PAYMENT, WAGE OR SALARY AND FRINGE BENEFITS SUPPLEMENT.

3           (a) In addition to any facility payment increases for state fiscal year 2000-01,  
4           in order to permit a facility, as defined in section 49.45 (6m) (a) 3. of the statutes, to  
5           increase, beginning on July 1, 2000, wages or salaries ~~and fringe benefits for~~ or  
6           increase staff hours of housekeeping, laundry and food workers, as determined by  
7           the department of health and family services, from the appropriations under section  
8           20.435 (4) (b) and (c) of the statutes, the department shall, beginning on ~~October 1,~~ <sup>JULY</sup>  
9           2000, supplement facility payment rates under section 49.45 (6m) (av) of the statutes  
10          by an amount not to exceed \$4,550,000 in state fiscal year 2000-01, or by multiplying  
11          the total amount of the wages reported in the 1998 cost reports of facilities by ~~the~~ <sup>3.5%</sup>  
12          ~~percentage obtained under paragraph (b),~~ whichever is less. The department shall  
13          calculate each facility's maximum payment per patient day under this paragraph by  
14          multiplying by <sup>3.5%</sup> ~~the percentage obtained under paragraph (b)~~ the amount obtained by  
15          dividing the total of the facility's housekeeping, laundry and food workers' wages or  
16          salaries by the total number of patient days of the facility, as indicated by the  
17          facility's 1998 cost reports. Each facility may apply to the department for up to the  
18          total maximum amount per patient day calculated for the facility and receive that  
19          supplemental amount for each medical assistance day of service provided.

20          ~~(b) The department of health and family services shall determine what~~  
21          ~~percentage of the total amount of facilities' wages or salaries for housekeeping,~~  
22          ~~laundry and food workers reported in the 1998 cost reports of facilities will, in the~~  
23          ~~best estimation of the department, most nearly equal the specified amounts of~~  
24          ~~moneys under paragraph (a).~~

*(b) UNLESS AGREED UPON BY BOTH PARTIES TO A COLLECTIVE  
BARGAINING AGREEMENT, ANY INCREASE IN WAGES OR SALARIES  
OR AN INCREASE OF STAFF HOURS OF HOUSEKEEPING, LAUNDRY  
AND FOOD WORKERS COVIERED IN A COLLECTIVE BARGAINING  
AGREEMENT IN EFFECT AS OF JANUARY 1, 2000 WILL NOT BE  
COUNTED TOWARDS THE INCREASED EXPENDITURES REQUIRED UNDER THIS  
ACT.*

**BILL**

1 (c) In order to ensure that a supplement provided to a facility under paragraph  
2 (a) was expended in accordance with the purpose specified in paragraph (a), the  
3 department of health and family services shall prepare a supplemental application  
4 form for completion by facilities in applying for the supplement, to determine  
5 whether the facility's housekeeping, laundry and food workers' wage or salary and  
6 ~~fringe benefits~~ costs per patient day have increased during the period after June 30,  
7 2000, and before July 1, 2001, by a percentage that is at least equal to ~~the percentage~~ 3.5%  
8 ~~of increase obtained under paragraph (b)~~. The department shall adjust the required  
9 percentage increase to account for all of the following:

10 1. Any payment rate ~~increase or~~ decrease applicable to the facility that is in  
11 effect beginning on July 1, 2000, and is other than the supplement under paragraph  
12 (a).

13 2. The fact that the wage supplement percentage increase is based only on  
14 wages and salaries, while the cost comparison also includes fringe benefits.

15 3. Any decrease or increase in the facility's expenditures for contracted labor  
16 services.

17 4. Any change in the facility's patient acuity levels.

18 5. Whether or not the facility's reporting period corresponds to the supplement  
19 payment period.

20 6. Any other factor that the department determines is relevant and that is  
21 readily available in the database of the department.

22 (d) If the department of health and family services determines that a  
23 supplement under paragraph (a) provided to a facility was not expended as required  
24 under paragraph (c), the department may recoup that part of the supplement that  
25 was not expended as required.

**BILL**

**SECTION 3. Appropriation changes.**

(1) FACILITY PAYMENT, WAGES OR SALARIES AND FRINGE BENEFITS. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of health and family services under section 20.435 (4) (b) of the statutes, as affected by the acts of 1999, the dollar amount is increased by \$2,181,400 for fiscal year 2000-01 to provide to a facility under section 49.45 (6m) of the statutes a medical assistance payment rate increase for wages or salaries ~~and fringe benefits for~~ or an increase of staff hours of housekeeping, laundry and food workers.

(END)

608 209-1516

Question for Forbes McIntosh:

255-0566

- ① Has he talked w/ Richard Mequa re changes?
- ② How does their proposed new par. (b) really differ from (c) 1. (before their changes)? Why would both parties agree to this? Shouldn't (b) instead be placed under (c)?
- ③ If their proposed language for (c) 1. is kept, last part of sentence no longer seems to apply.

2/8/00 Forbes referred me to:

Tom Ramsay 255-7060



Re collective bargain

Greg Spring - AFSCME 836-6666, 836-4040

John Sauer 255-7060

Coll barg goes into effect on/after Jan 1 - 2% increase

If 3.5 bill goes into effect, wd. have to increase

by 5.5% - want the 2% increase ~~to be~~

~~out of the 3.5% increase~~ UNLESS OTHERWISE AGREED

DAK: This means language proposed for  
SEC. (1)(b) must be changed from "will not be"  
to "shall".

WEDNESDAY 2/9

1999 - 2000 LEGISLATURE

LRB-4224/2  
DAK:kmg:444

## 1999 BILL

- 1 *Gen. Act.* AN ACT *to amend* 20.435 (4) (b) of the statutes; **relating to:** medical assistance  
2 wage or salary ~~and fringe benefits~~ supplements for nursing home  
3 housekeeping, laundry and food workers and making an appropriation.

### *Analysis by the Legislative Reference Bureau*

Under current law, the department of health and family services (DHFS) pays a combination of general purpose revenues and federal medicaid moneys to nursing homes for care provided to recipients of medical assistance (MA). DHFS must calculate a payment rate for a nursing home by applying, to information from cost reports for the nursing home's previous fiscal year, a statutory formula that includes specified standards and considers specified cost centers and allowable costs. Among the cost centers that DHFS must consider is allowable support service costs, including dietary service and environmental service (providing maintenance, housekeeping, laundry and security services).

This bill provides a supplement of \$4,550,000 of general purpose revenues and federal medicaid moneys to the MA payment rates for nursing homes, beginning on July 1, 2000, for the payment of wages or salaries ~~and fringe benefits~~ for or an increase in the staff hours of housekeeping, laundry and food workers. Each nursing home may apply to DHFS and receive up to the total maximum amount per patient day for the wages or salaries that DHFS calculates for the nursing home, under a method specified in the bill. In order to ensure that each nursing home expends the supplement for the wages or salaries ~~and fringe benefits~~, each nursing home must complete a form, prepared by DHFS, to determine if the nursing home's



**BILL**

by  
3.5%

INSERT ANAL

housekeeping, laundry and food workers' wage or salary and fringe benefits costs per patient day increased during the 12 months following the increase by a percentage that equals the percentage of the supplement under the bill. DHFS may adjust the percentage increase to account for specific factors. If DHFS determines that any part of the supplement provided to a nursing home was not expended as required, DHFS may recoup that part of the supplement.

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

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

1 SECTION 1. 20.435 (4) (b) of the statutes, as affected by 1999 Wisconsin Act 9,  
2 is amended to read:

3 20.435 (4) (b) *Medical assistance program benefits.* Biennially, the amounts in  
4 the schedule to provide the state share of medical assistance program benefits  
5 administered under s. 49.45, to provide medical assistance program benefits  
6 administered under s. 49.45 that are not also provided under par. (o), to fund the pilot  
7 project under s. 46.27 (9) and (10), to provide the facility payments under 1999  
8 Wisconsin Act 9, section 9123 (9m), and 1999 Wisconsin Act ... (this act), section 2  
9 (1), to fund services provided by resource centers under s. 46.283 and for services  
10 under the family care benefit under s. 46.284 (5). Notwithstanding s. 20.002 (1), the  
11 department may transfer from this appropriation to the appropriation under sub. (7)  
12 (kb) funds in the amount of and for the purposes specified in s. 46.485.  
13 Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or  
14 deposit into this appropriation and may transfer between fiscal years funds that it  
15 transfers from the appropriation under sub. (7) (kb) for the purposes specified in s.  
16 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this  
17 appropriation to the appropriation account under sub. (7) (bd) funds in the amount  
18 and for the purposes specified in s. 49.45 (6v).

**BILL**

July

1           **SECTION 2. Nonstatutory provisions.**

2           (1) FACILITY PAYMENT, WAGE OR SALARY ~~AND FRINGE BENEFITS~~ SUPPLEMENT.

3           (a) In addition to any facility payment increases for state fiscal year 2000-01,

4           in order to permit a facility, as defined in section 49.45 (6m) (a) 3. of the statutes, to

5           increase, beginning on July 1, 2000, wages or salaries ~~and fringe benefits~~ for or

6           increase staff hours of housekeeping, laundry and food workers, as determined by

7           the department of health and family services, from the appropriations under section

8           20.435 (4) (b) and (c) of the statutes, the department shall, beginning on ~~October~~ 1,

9           2000, supplement facility payment rates under section 49.45 (6m) (av) of the statutes

10          by an amount not to exceed \$4,550,000 in state fiscal year 2000-01, or by multiplying

11          the total amount of the wages reported in the 1998 cost reports of facilities by ~~the~~

12          percentage obtained under ~~paragraph (b)~~, <sup>3.5%</sup> whichever is less. The department shall

13          calculate each facility's maximum payment per patient day under this paragraph by

14          multiplying by ~~the percentage obtained under paragraph (b)~~ the amount obtained by

15          dividing the total of the facility's housekeeping, laundry and food workers' wages or

16          salaries by the total number of patient days of the facility, as indicated by the

17          facility's 1998 cost reports. Each facility may apply to the department for up to the

18          total maximum amount per patient day calculated for the facility and receive that

19          supplemental amount for each medical assistance day of service provided.

20           (b) The department of health and family services shall determine what  
21           percentage of the total amount of facilities' wages or salaries for housekeeping,  
22           laundry and food workers reported in the 1998 cost reports of facilities will, in the  
23           best estimation of the department, most nearly equal the specified amounts of  
24           moneys under paragraph (a).

BILL

# b ← auto ref. "KA"

1 (a) In order to ensure that a supplement provided to a facility under paragraph  
 2 (a) was expended in accordance with the purpose specified in paragraph (a), the  
 3 department of health and family services shall prepare a supplemental application  
 4 form for completion by facilities in applying for the supplement, to determine  
 5 whether the facility's housekeeping, laundry and food workers' wage or salary ~~and~~  
 6 ~~fringe benefits~~ costs per patient day have increased during the period after June 30,  
 7 2000, and before July 1, 2001, by a percentage that is at least equal to ~~the percentage~~  
 8 ~~of increase obtained under paragraph (a)~~. The department shall adjust the required  
 9 percentage increase to account for all of the following:

3.5%, unless paragraph (c) applies

10 1. Any payment rate ~~increase or~~ decrease applicable to the facility that is in  
 11 effect beginning on July 1, 2000, ~~and is other than the supplement under paragraph~~  
 12 ~~(a)~~.

auto ref. "KB"

13 2. The fact that the wage supplement percentage increase is based only on  
 14 wages and salaries, while the cost comparison also includes fringe benefits.

15 # 2 Any decrease or increase in the facility's expenditures for contracted labor  
 16 services.

17 # 3 Any change in the facility's patient acuity levels.

18 # 4 Whether or not the facility's reporting period corresponds to the supplement  
 19 payment period.

20 # 5 Any other factor that the department determines is relevant and that is  
 21 readily available in the database of the department.

INSERT 4-21

22 (d) If the department of health and family services determines that a  
 23 supplement under paragraph (a) provided to a facility was not expended as required  
 24 under paragraph (a), the department may recoup that part of the supplement that  
 25 was not expended as required.

# 6 ← auto ref. "KA"



INSERT ANAL

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU - LEGAL SECTION  
(608-266-3561)

not# However, if the nursing home had in effect on January 1, 2000, a collective bargaining agreement that included an increase in wages or salaries or increase in staff hours of housekeeping, laundry and food workers, the supplement may be decreased by part or all of that increase if the decrease is agreed to by all parties to the collective bargaining agreement.

# <sup>auto ref. "KB"</sup> (c) The supplement provided to a facility under  
paragraph (a) may be decreased by part or all of any  
increase <sup>auto ref. "KC"</sup> in wages or salaries or increase in staff hours of  
housekeeping, laundry and food workers of the  
facility that is included in a collective  
bargaining agreement in effect on January 1,  
2000, but only if the decrease is ~~the decrease is~~ agreed to by  
all parties to the collective bargaining  
agreement.

Redraft-422412



# WISCONSIN COUNCIL 40

**AFSCME, AFL-CIO**  
 8033 Excelsior Drive, Suite B  
 Madison, WI 53717-1903  
 (608) 836-4040  
 FAX (608) 836-4444

## Fax Transmittal

DATE: 2/17/00 FAX #: 264-6948  
 TO: Deborah Kennedy, LFB  
 FROM: Greg Spring  
 Number of pages including transmittal sheet: 2

For questions/concerns regarding this fax, please call.

**NOTES:**

Please call me  
at 836-4040,  
Thank you

Robert Kraig 414-357-8160  
Greg Spring 836-4040

Replace Section 2 (1) (c) on starting on line 14 of page 4 with the following:

- c) Unless otherwise agreed to by the parties to a collective bargaining agreement, any increase in wages and hours already codified in a collective bargaining agreement in effect as of July 1, 2000, will not be counted towards the increased expenditures necessary to qualify for the supplement.

*dhfs may not include*

*the*  
*required under par. (b)*



MONDAY 2/21

1999 - 2000 LEGISLATURE

LRB-4224/3

DAK:kmg:km

## 1999 BILL

1 **AN ACT** *Gen Act* **to amend** 20.435 (4) (b) of the statutes; **relating to:** medical assistance  
2 wage or salary supplements for nursing home housekeeping, laundry and food  
3 workers and making an appropriation.

---

### *Analysis by the Legislative Reference Bureau*

Under current law, the department of health and family services (DHFS) pays a combination of general purpose revenues and federal medicaid moneys to nursing homes for care provided to recipients of medical assistance (MA). DHFS must calculate a payment rate for a nursing home by applying, to information from cost reports for the nursing home's previous fiscal year, a statutory formula that includes specified standards and considers specified cost centers and allowable costs. Among the cost centers that DHFS must consider is allowable support service costs, including dietary service and environmental service (providing maintenance, housekeeping, laundry and security services).

This bill provides a supplement of \$4,550,000 of general purpose revenues and federal medicaid moneys to the MA payment rates for nursing homes, beginning on July 1, 2000, for the payment of wages or salaries for or an increase in the staff hours of housekeeping, laundry and food workers. Each nursing home may apply to DHFS and receive up to the total maximum amount per patient day for the wages or salaries that DHFS calculates for the nursing home, under a method specified in the bill. In order to ensure that each nursing home expends the supplement for the wages or salaries, each nursing home must complete a form, prepared by DHFS, to determine if the nursing home's housekeeping, laundry and food workers' wage or salary costs

**BILL**

DHFS may not include that increase in the required increased expenditures unless

per patient day increased by 3.5% during the 12 months following the supplement. However, if the nursing home had in effect on January 1, 2000, a collective bargaining agreement that included an increase in wages or salaries or increase in staff hours of housekeeping, laundry and food workers, ~~the supplement may be decreased by part or all of that increase if the decrease is agreed to by~~ all parties to the collective bargaining agreement. DHFS may adjust the percentage increase to account for specific factors. If DHFS determines that any part of the supplement provided to a nursing home was not expended as required, DHFS may recoup that part of the supplement.

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

otherwise agree

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

1           SECTION 1. 20.435 (4) (b) of the statutes, as affected by 1999 Wisconsin Act 9,  
2 is amended to read:

3           20.435 (4) (b) *Medical assistance program benefits.* Biennially, the amounts in  
4 the schedule to provide the state share of medical assistance program benefits  
5 administered under s. 49.45, to provide medical assistance program benefits  
6 administered under s. 49.45 that are not also provided under par. (o), to fund the pilot  
7 project under s. 46.27 (9) and (10), to provide the facility payments under 1999  
8 Wisconsin Act 9, section 9123 (9m), and 1999 Wisconsin Act ... (this act), section 2  
9 (1), to fund services provided by resource centers under s. 46.283 and for services  
10 under the family care benefit under s. 46.284 (5). Notwithstanding s. 20.002 (1), the  
11 department may transfer from this appropriation to the appropriation under sub. (7)  
12 (kb) funds in the amount of and for the purposes specified in s. 46.485.  
13 Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or  
14 deposit into this appropriation and may transfer between fiscal years funds that it  
15 transfers from the appropriation under sub. (7) (kb) for the purposes specified in s.  
16 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this

**BILL**

1 appropriation to the appropriation account under sub. (7) (bd) funds in the amount  
2 and for the purposes specified in s. 49.45 (6v).

**SECTION 2. Nonstatutory provisions.****(1) FACILITY PAYMENT; WAGE OR SALARY SUPPLEMENT.**

3  
4  
5 (a) In addition to any facility payment increases for state fiscal year 2000–01,  
6 in order to permit a facility, as defined in section 49.45 (6m) (a) 3. of the statutes, to  
7 increase, beginning on July 1, 2000, wages or salaries for or increase staff hours of  
8 housekeeping, laundry and food workers, as determined by the department of health  
9 and family services, from the appropriations under section 20.435 (4) (b) and (o) of  
10 the statutes, the department shall, beginning on July 1, 2000, supplement facility  
11 payment rates under section 49.45 (6m) (av) of the statutes by an amount not to  
12 exceed \$4,550,000 in state fiscal year 2000–01, or by multiplying the total amount  
13 of the wages reported in the 1998 cost reports of facilities by 3.5%, whichever is less.  
14 The department shall calculate each facility's maximum payment per patient day  
15 under this paragraph by multiplying by 3.5% the amount obtained by dividing the  
16 total of the facility's housekeeping, laundry and food workers' wages or salaries by  
17 the total number of patient days of the facility, as indicated by the facility's 1998 cost  
18 reports. Each facility may apply to the department for up to the total maximum  
19 amount per patient day calculated for the facility and receive that supplemental  
20 amount for each medical assistance day of service provided.

21 *← "KA" auto ref.*  
(b) In order to ensure that a supplement provided to a facility under paragraph

22 (a) was expended in accordance with the purpose specified in paragraph (a), the  
23 department of health and family services shall prepare a supplemental application  
24 form for completion by facilities in applying for the supplement, to determine  
25 whether the facility's housekeeping, laundry and food workers' wage or salary costs

**BILL**

1 per patient day have increased during the period after June 30, 2000, and before July  
2 1, 2001, by a percentage that is at least equal to 3.5%, unless paragraph (c) applies.

3 The department shall adjust the required percentage increase to account for all of  
4 the following:

5 1. Any payment rate decrease applicable to the facility that is in effect  
6 beginning on July 1, 2000.

7 2. Any decrease or increase in the facility's expenditures for contracted labor  
8 services.

9 3. Any change in the facility's patient acuity levels.

10 4. Whether or not the facility's reporting period corresponds to the supplement  
11 payment period.

12 5. Any other factor that the department determines is relevant and that is  
13 readily available in the database of the department.

14 (c) The supplement provided to a facility under paragraph (a) may be decreased  
15 by part or all of any increase in wages or salaries or increase in staff hours of  
16 housekeeping, laundry and food workers of the facility that is included in a collective  
17 bargaining agreement in effect on January 1, 2000, but only if the decrease is agreed  
18 to by all parties to the collective bargaining agreement.

INSERT 4-18

19 (d) If the department of health and family services determines that a  
20 supplement under paragraph (a) provided to a facility was not expended as required  
21 under paragraph (b), the department may recoup that part of the supplement that  
22 was not expended as required.

23 **SECTION 3. Appropriation changes.**

24 (1) FACILITY PAYMENT; WAGES OR SALARIES. In the schedule under section 20.005  
25 (3) of the statutes for the appropriation to the department of health and family

**BILL**

1 services under section 20.435 (4) (b) of the statutes, as affected by the acts of 1999,  
2 the dollar amount is increased by \$2,181,400 for fiscal year 2000–01 to provide to a  
3 facility under section 49.45 (6m) of the statutes a medical assistance payment rate  
4 increase for wages or salaries for or an increase of staff hours of housekeeping,  
5 laundry and food workers.

6 (END)

INSERT 4-18 ✓

(c) Unless otherwise agreed to by the parties to a collective bargaining agreement in effect on July 1, 2000, the department may not include any increase in wages or salaries or increase in staff hours of housekeeping, laundry and food workers of a facility that is codified in that collective bargaining agreement in the increased expenditures required under paragraph (b).

auto ref  
"A"

2/23/00

Redraft - 4224/3

From Jim McGinn

Change date of coll. barg. unit back to  
January 1, 2000.

TODAY 2/23

1999 - 2000 LEGISLATURE

LRB-4224/4

DAK:kmg

## 1999 BILL

1 *Gen. Cat.* AN ACT *to amend* 20.435 (4) (b) of the statutes; **relating to:** medical assistance  
2 wage or salary supplements for nursing home housekeeping, laundry and food  
3 workers and making an appropriation.

---

### *Analysis by the Legislative Reference Bureau*

Under current law, the department of health and family services (DHFS) pays a combination of general purpose revenues and federal medicaid moneys to nursing homes for care provided to recipients of medical assistance (MA). DHFS must calculate a payment rate for a nursing home by applying, to information from cost reports for the nursing home's previous fiscal year, a statutory formula that includes specified standards and considers specified cost centers and allowable costs. Among the cost centers that DHFS must consider is allowable support service costs, including dietary service and environmental service (providing maintenance, housekeeping, laundry and security services).

This bill provides a supplement of \$4,550,000 of general purpose revenues and federal medicaid moneys to the MA payment rates for nursing homes, beginning on July 1, 2000, for the payment of wages or salaries for or an increase in the staff hours of housekeeping, laundry and food workers. Each nursing home may apply to DHFS and receive up to the total maximum amount per patient day for the wages or salaries that DHFS calculates for the nursing home, under a method specified in the bill. In order to ensure that each nursing home expends the supplement for the wages or salaries, each nursing home must complete a form, prepared by DHFS, to determine if the nursing home's housekeeping, laundry and food workers' wage or salary costs



**BILL**

per patient day increased by 3.5% during the 12 months following the supplement. However, if the nursing home had in effect on January 1, 2000, a collective bargaining agreement that included an increase in wages or salaries or increase in staff hours of housekeeping, laundry and food workers, DHFS may not include that increase in the required increased expenditures unless all parties to the collective bargaining agreement otherwise agree. DHFS may adjust the percentage increase to account for specific factors. If DHFS determines that any part of the supplement provided to a nursing home was not expended as required, DHFS may recoup that part of the supplement.

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

---

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

1           **SECTION 1.** 20.435 (4) (b) of the statutes, as affected by 1999 Wisconsin Act 9,  
2 is amended to read:

3           20.435 (4) (b) *Medical assistance program benefits.* Biennially, the amounts in  
4 the schedule to provide the state share of medical assistance program benefits  
5 administered under s. 49.45, to provide medical assistance program benefits  
6 administered under s. 49.45 that are not also provided under par. (o), to fund the pilot  
7 project under s. 46.27 (9) and (10), to provide the facility payments under 1999  
8 Wisconsin Act 9, section 9123 (9m), and 1999 Wisconsin Act ... (this act), section 2  
9 (1), to fund services provided by resource centers under s. 46.283 and for services  
10 under the family care benefit under s. 46.284 (5). Notwithstanding s. 20.002 (1), the  
11 department may transfer from this appropriation to the appropriation under sub. (7)  
12 (kb) funds in the amount of and for the purposes specified in s. 46.485.  
13 Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or  
14 deposit into this appropriation and may transfer between fiscal years funds that it  
15 transfers from the appropriation under sub. (7) (kb) for the purposes specified in s.  
16 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this

**BILL**

1 appropriation to the appropriation account under sub. (7) (bd) funds in the amount  
2 and for the purposes specified in s. 49.45 (6v).

3 **SECTION 2. Nonstatutory provisions.**

4 (1) FACILITY PAYMENT; WAGE OR SALARY SUPPLEMENT.

5 (a) In addition to any facility payment increases for state fiscal year 2000–01,  
6 in order to permit a facility, as defined in section 49.45 (6m) (a) 3. of the statutes, to  
7 increase, beginning on July 1, 2000, wages or salaries for or increase staff hours of  
8 housekeeping, laundry and food workers, as determined by the department of health  
9 and family services, from the appropriations under section 20.435 (4) (b) and (o) of  
10 the statutes, the department shall, beginning on July 1, 2000, supplement facility  
11 payment rates under section 49.45 (6m) (av) of the statutes by an amount not to  
12 exceed \$4,550,000 in state fiscal year 2000–01, or by multiplying the total amount  
13 of the wages reported in the 1998 cost reports of facilities by 3.5%, whichever is less.  
14 The department shall calculate each facility's maximum payment per patient day  
15 under this paragraph by multiplying by 3.5% the amount obtained by dividing the  
16 total of the facility's housekeeping, laundry and food workers' wages or salaries by  
17 the total number of patient days of the facility, as indicated by the facility's 1998 cost  
18 reports. Each facility may apply to the department for up to the total maximum  
19 amount per patient day calculated for the facility and receive that supplemental  
20 amount for each medical assistance day of service provided.

21 (b) In order to ensure that a supplement provided to a facility under paragraph  
22 (a) was expended in accordance with the purpose specified in paragraph (a), the  
23 department of health and family services shall prepare a supplemental application  
24 form for completion by facilities in applying for the supplement, to determine  
25 whether the facility's housekeeping, laundry and food workers' wage or salary costs

**BILL**

1 per patient day have increased during the period after June 30, 2000, and before July  
2 1, 2001, by a percentage that is at least equal to 3.5%, unless paragraph (c) applies.

3 The department shall adjust the required percentage increase to account for all of  
4 the following:

5 1. Any payment rate decrease applicable to the facility that is in effect  
6 beginning on July 1, 2000.

7 2. Any decrease or increase in the facility's expenditures for contracted labor  
8 services.

9 3. Any change in the facility's patient acuity levels.

10 4. Whether or not the facility's reporting period corresponds to the supplement  
11 payment period.

12 5. Any other factor that the department determines is relevant and that is  
13 readily available in the database of the department.

14 (c) Unless otherwise agreed to by the parties to a collective bargaining  
15 agreement in effect on ~~July~~ <sup>January</sup> 1, 2000, the department may not include any increase  
16 in wages or salaries or increase in staff hours of housekeeping, laundry and food  
17 workers of a facility that is codified in that collective bargaining agreement in the  
18 increased expenditures required under paragraph (b).

19 (d) If the department of health and family services determines that a  
20 supplement under paragraph (a) provided to a facility was not expended as required  
21 under paragraph (b), the department may recoup that part of the supplement that  
22 was not expended as required.

**SECTION 3. Appropriation changes.**

23 (1) FACILITY PAYMENT, WAGES OR SALARIES. In the schedule under section 20.005  
24 (3) of the statutes for the appropriation to the department of health and family  
25

**BILL**

1 services under section 20.435 (4) (b) of the statutes, as affected by the acts of 1999,  
2 the dollar amount is increased by \$2,181,400 for fiscal year 2000-01 to provide to a  
3 facility under section 49.45 (6m) of the statutes a medical assistance payment rate  
4 increase for wages or salaries for or an increase of staff hours of housekeeping,  
5 laundry and food workers.

6 (END)

**SUBMITTAL  
FORM**

**LEGISLATIVE REFERENCE BUREAU  
Legal Section Telephone: 266-3561  
5th Floor, 100 N. Hamilton Street**

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and sign on the appropriate line(s) below.

Date: 02/23/2000

To: Senator Moen

Relating to LRB drafting number: LRB-4224

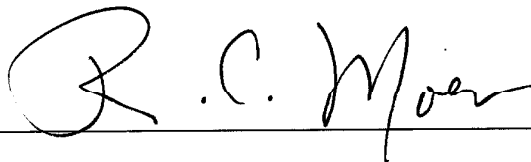
**Topic**

Increase medical assistance wages and fringe benefits for nursing home housekeeping and laundry and food workers

**Subject(s)**

Public Assistance - med. assist.

1. **JACKET** the draft for introduction



in the **Senate**  or the **Assembly**  (check only one). Only the requester under whose name the

drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached \_\_\_\_\_

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction \_\_\_\_\_

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Debora A. Kennedy, Managing Attorney  
Telephone: (608) 266-0137