



TODAY  
State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-0028/6  
DAK;jlg:km

*pmr*

DOA:.....Jablonsky – Public health and health care financing appropriation changes

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

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*do not gen*  
AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**HEALTH**

Under current law, the appropriation accounts for expenditure of moneys by the department of health and family services (DHFS) are specified for several categories, including state operations and aids and local assistance for health services planning, regulation and delivery.

This bill reclassifies current categories of appropriation accounts for DHFS for health services planning, regulation and delivery into categories of health care financing and public health state operations and aids and local assistance.

For further information see the *state* 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:*

\*\*\*\*NOTE: This redraft (-0028/5) eliminates treatment of s. 16.0095, which is repealed in LRB-0829. If LRB-0829 is not included in the budget bill, the treatment should be restored.

1           **SECTION 1.** 20.435 (1) (title) of the statutes is amended to read:

2           20.435 (1) (title) ~~HEALTH~~ PUBLIC HEALTH SERVICES PLANNING, REGULATION AND  
3 DELIVERY; STATE OPERATIONS.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 2.** 20.435 (1) (a) of the statutes is amended to read:

5           20.435 (1) (a) *General program operations.* The amounts in the schedule for  
6 general program operations, including public health services regulation,  
7 administration and field services.

8           **SECTION 3.** 20.435 (1) (bm) of the statutes is renumbered 20.435 (4) (bm) and  
9 amended to read:

10          20.435 (4) (bm) *Medical assistance administration.* Biennially, the amounts  
11 in the schedule to provide the state share of administrative contract costs for the  
12 medical assistance program under ss. 49.45 and 49.665, to reimburse insurers for  
13 their costs under s. 49.475 and for costs associated with outreach activities. No state  
14 positions may be funded in the department of health and family services from this  
15 appropriation, except positions for the performance of duties under a contract in  
16 effect before January 1, 1987, related to the administration of the medical assistance  
17 program between the subunit of the department primarily responsible for  
18 administering the medical assistance program and another subunit of the  
19 department. Total administrative funding authorized for the program under s.  
20 49.665 may not exceed 10% of the amounts budgeted under ~~sub. (5) pars.~~ (bc) and (p)  
21 (pa).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

22          **SECTION 4.** 20.435 (1) (gm) of the statutes is amended to read:

1           20.435 (1) (gm) *Licensing, review and certifying activities; fees; supplies and*  
2 *services.* The amounts in the schedule for the purposes specified in ss. 146.50 (8),  
3 250.05 (6), 252.23, 252.24, 252.245, 254.176, 254.178, 254.20 (5) and (8), 254.31 to  
4 254.39, 254.41, 254.47, 254.61 to 254.89 and 255.08 (2) ~~and ch. 150~~, for the purchase  
5 and distribution of medical supplies and to analyze and provide data under s. 250.04.  
6 All moneys received under ss. 146.50 (8) (d), ~~150.13~~ 250.04 (3m), 250.05 (6), 252.23  
7 (4) (a), 252.24 (4) (a), 252.245 (9), 254.176, 254.178, 254.20 (5) and (8), 254.31 to  
8 254.39, 254.41, 254.47, 254.61 to 254.89 and 255.08 (2) (b) and as reimbursement for  
9 medical supplies shall be credited to this appropriation account. ~~From the fees~~  
10 ~~collected under s. 50.135 (2), \$444,700 in fiscal year 1997-98 and \$451,600 in fiscal~~  
11 ~~year 1998-99 shall be credited to this appropriation account.~~

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

\*\*\*\*NOTE: This SECTION supersedes the treatment of s. 20.435 (1) (gm) in 1999 LRB-0027/1 (the "appropriation streamlining" draft); if both this draft and LRB-0027 are included in the budget bill, the treatment of s. 20.435 (1) (gm) in LRB-0027 should be eliminated.

12           **SECTION 5.** 20.435 (1) (gp) of the statutes is renumbered 20.435 (4) (gp).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

13           **SECTION 6.** 20.435 (1) (hg) of the statutes is renumbered 20.435 (4) (hg).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

14           **SECTION 7.** 20.435 (1) (hi) of the statutes is renumbered 20.435 (4) (hi).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

15           **SECTION 8.** 20.435 (1) (in) of the statutes is renumbered 20.435 (4) (in).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

16           **SECTION 9.** 20.435 (1) (p) of the statutes is renumbered 20.435 (4) (p).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1           **SECTION 10.** 20.435 (1) (u) of the statutes is renumbered 20.435 (4) (u).

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

2           **SECTION 11.** 20.435 (4) (title) of the statutes is created to read:

3           20.435 (4) (title) HEALTH SERVICES PLANNING, REGULATION AND DELIVERY; HEALTH  
4 CARE FINANCING.

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5           **SECTION 12.** 20.435 (4) (a) of the statutes is created to read:

6           20.435 (4) (a) *General program operations.* The amounts in the schedule for  
7 general program operations, including health care financing regulation,  
8 administration and field services.

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9           **SECTION 13.** 20.435 (4) (e) of the statutes is created to read:

10          20.435 (4) (e) *Disease aids.* Biennially, the amounts in the schedule for  
11 assisting victims of diseases, as provided in ss. 49.68, 49.683 and 49.685.

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

12          **SECTION 14.** 20.435 (4) (gm) of the statutes is created to read:

13          20.435 (4) (gm) *Health services regulation and vital statistics.* The amounts in  
14 the schedule for the purposes specified in chs. 69 and 150. All moneys received under  
15 ch. 69 and s. 150.13 shall be credited to this appropriation account. From the fees  
16 collected under s. 50.135 (2), \$247,000 in fiscal year 1999–2000 and \$297,200 in fiscal  
17 year 2000–01 shall be credited to this appropriation account.

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

18          **SECTION 15.** 20.435 (4) (i) of the statutes is created to read:

1           20.435 (4) (i) *Gifts and grants; health care financing.* All moneys received from  
2 gifts, grants, bequests and trust funds to provide health care financing consistent  
3 with the purpose of the gift, grant, bequest or trust fund.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 16.** 20.435 (4) (kx) of the statutes is created to read:

5           20.435 (4) (kx) *Interagency and intra-agency programs.* All moneys received  
6 from other state agencies and all moneys received by the department from the  
7 department for the administration of programs or projects, for the purposes for which  
8 received.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9           **SECTION 17.** 20.435 (4) (ky) of the statutes is created to read:

10           20.435 (4) (ky) *Interagency and intra-agency aids.* All moneys received from  
11 other state agencies, including moneys transferred from s. 20.505 (8) (hm) <sup>7.</sup> and all  
12 moneys received by the department from the department for aids to individuals and  
13 organizations, for the purpose of providing those aids.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

14           **SECTION 18.** 20.435 (4) (kz) of the statutes is created to read:

15           20.435 (4) (kz) *Interagency and intra-agency local assistance.* All moneys  
16 received from other state agencies and all moneys received by the department from  
17 the department for local assistance, for the purpose of providing that assistance.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

18           **SECTION 19.** 20.435 (4) (m) of the statutes is created to read:

\*\*\*\*NOTE: The inclusion of the reference to <sup>s.</sup> 20.505 (8) (hm) in this paragraph is based on the creation of s. 20.505 (8) (hm) in LRB-0757. IF LRB-0757 is not included in the budget bill, this paragraph will need to be redrafted.

1           20.435 (4) (m) *Federal project operations*. All moneys received from the federal  
2 government or any of its agencies for the state administration of specific limited term  
3 projects, to be expended for the purposes specified.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 20.** 20.435 (4) (ma) of the statutes is created to read:

5           20.435 (4) (ma) *Federal project aids*. All moneys received from the federal  
6 government or any of its agencies for specific limited term projects of aids to  
7 individuals or organizations, to be expended for the purposes specified.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8           **SECTION 21.** 20.435 (4) (md) of the statutes is created to read:

9           20.435 (4) (md) *Federal block grant aids*. All block grant moneys received from  
10 the federal government or any of its agencies for aids to individuals or organizations,  
11 other than for specific limited term projects and continuing programs, to be expended  
12 for the purposes specified.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

13           **SECTION 22.** 20.435 (4) (n) of the statutes is created to read:

14           20.435 (4) (n) *Federal program operations*. All moneys received from the  
15 federal government or any of its agencies for the state administration of continuing  
16 programs, to be expended for the purposes specified.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

17           **SECTION 23.** 20.435 (4) (na) of the statutes is created to read:

18           20.435 (4) (na) *Federal program aids*. All moneys received from the federal  
19 government or any of its agencies for continuing programs of aids to individuals or  
20 organizations, to be expended for the purposes specified.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1       **SECTION 24.** 20.435 (5) (title) of the statutes is amended to read:

2       20.435 (5) (title) ~~HEALTH~~ PUBLIC HEALTH SERVICES PLANNING, REGULATION AND  
3       DELIVERY; AIDS AND LOCAL ASSISTANCE.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4       **SECTION 25.** 20.435 (5) (af) of the statutes is renumbered 20.435 (4) (af).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5       **SECTION 26.** 20.435 (5) (ah) of the statutes is renumbered 20.435 (4) (ah).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6       **SECTION 27.** 20.435 (5) (b) of the statutes is renumbered 20.435 (4) (b).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

7       **SECTION 28.** 20.435 (5) (bc) of the statutes is renumbered 20.435 (4) (bc).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8       **SECTION 29.** 20.435 (5) (bs) of the statutes is renumbered 20.435 (4) (bs).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9       **SECTION 30.** 20.435 (5) (d) of the statutes is renumbered 20.435 (4) (d).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

10       **SECTION 31.** 20.435 (5) (e) of the statutes is amended to read:

11       20.435 (5) (e) *Disease aids.* Biennially, the amounts in the schedule for  
12       assisting victims of diseases, as provided in ss. ~~49.68, 49.683, 49.685~~, 58.06, 252.08  
13       (4) and (5) and 252.10 (6) and (7), as ~~allocated~~ distributed by the department.

14       **SECTION 32.** 20.435 (5) (gh) of the statutes is renumbered 20.435 (4) (gh).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

15       **SECTION 33.** 20.435 (5) (im) of the statutes is renumbered 20.435 (4) (im).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1       **SECTION 34.** 20.435 (5) (jz) of the statutes is renumbered 20.435 (4) (jz).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

2       **SECTION 35.** 20.435 (5) (o) of the statutes is renumbered 20.435 (4) (o).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

3       **SECTION 36.** 20.435 (5) (p) of the statutes is renumbered 20.435 (4) (pa).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4       **SECTION 37.** 20.435 (6) (jm) of the statutes is amended to read:

5       20.435 (6) (jm) *Licensing and support services.* The amounts in the schedule  
6 for the purposes specified in ss. 50.02 (2), 50.025, 50.13, 50.135, 50.36 (2), 50.49 (2)  
7 (b), 50.495, 50.52 (2) (a), 50.57 and 50.981 and subch. IV of ch. 50 and to conduct  
8 health facilities plan and rule development activities, for accrediting nursing homes,  
9 convalescent homes and homes for the aged, to conduct capital construction and  
10 remodeling plan reviews under ss. 50.02 (2) (b) and 50.36 (2) and for the costs of  
11 inspecting, licensing and approving facilities, issuing permits and providing  
12 technical assistance that are not specified under any other paragraph in this  
13 subsection. All moneys received under ss. 50.02 (2), 50.025, 50.13, 50.36 (2), 50.49  
14 (2) (b), 50.495, 50.52 (2) (a), 50.57, 50.93 (1) (c) and 50.981, all moneys received from  
15 fees for the costs of inspecting, licensing and approving facilities, issuing permits and  
16 providing technical assistance that are not specified under any other paragraph in  
17 this subsection, and all moneys received under 50.135 (2), less the amounts credited  
18 to the appropriation account under sub. ~~(1)~~ (4) (gm), shall be credited to this  
19 appropriation account.

20       **SECTION 38.** 20.435 (7) (bd) of the statutes is amended to read:



1           20.435 (7) (bd) *Community options program and long-term support pilot*  
2 *projects.* The amounts in the schedule for assessments, case planning, services and  
3 administration under s. 46.27 and for pilot projects under s. 46.271 (1), and the  
4 amounts carried forward under 1997 Wisconsin Act 27, section 9123 (2), for the pilot  
5 project under s. 46.271 (2m). If the department transfers funds to this appropriation  
6 from the appropriation account under sub. ~~(5)~~ (4) (b), the amounts in the schedule  
7 for the fiscal year for which the transfer is made are increased by the amount of the  
8 transfer for the purposes specified in s. 49.45 (6v). Notwithstanding ss. 20.001 (3)  
9 (a) and 20.002 (1), the department may under this paragraph transfer moneys  
10 between fiscal years. Except for moneys authorized for transfer under this  
11 appropriation, under s. 46.27 (7) (fm) or (g) or under 1997 Wisconsin Act 27, section  
12 9123 (2), all moneys under this appropriation that are allocated under s. 46.27 and  
13 are not spent or encumbered by counties or by the department by December 31 of  
14 each year shall lapse to the general fund on the succeeding January 1 unless  
15 transferred to the next calendar year by the joint committee on finance.

16           **SECTION 39.** 20.435 (7) (im) of the statutes is amended to read:

17           20.435 (7) (im) *Community options program; recovery of costs of care.* From the  
18 moneys received from the recovery of costs of care under ss. 46.27 (7g) and 867.035,  
19 all moneys not appropriated under sub. ~~(1)~~ (4) (in), for payments to county  
20 departments and aging units under s. 46.27 (7g) (d), payment of claims under s.  
21 867.035 (3) and payments for long-term community support services funded under  
22 s. 46.27 (7) as provided in ss. 46.27 (7g) (e) and 867.035 (4m).

23           **SECTION 40.** 20.435 (7) (kb) of the statutes is amended to read:

24           20.435 (7) (kb) *Severely emotionally disturbed children.* As a continuing  
25 appropriation, all moneys transferred from the appropriation under sub. ~~(5)~~ (4) (b)

creation of ~~s. 20.505(8)(km)~~ in LRB-0757. If LRB-0757 is not included in the budget bill, this subdivision should be eliminated.

1 to this appropriation to provide, under s. 46.485, mental health care and treatment  
2 and community-based mental health services for severely emotionally disturbed  
3 children. Notwithstanding s. 20.002 (1), the department of health and family  
4 services may transfer from this appropriation to the appropriation under sub. (5) (4)  
5 (b) funds as specified in s. 46.485 (3r).

6 SECTION 41. 46.27 (9) (a) of the statutes is amended to read:

7 46.27 (9) (a) The department may select up to 5 counties that volunteer to  
8 participate in a pilot project under which they will receive certain funds allocated for  
9 long-term care. The department shall allocate a level of funds to these counties  
10 equal to the amount that would otherwise be paid under s. 20.435 (5) (4) (b) to nursing  
11 homes for providing care because of increased utilization of nursing home services,  
12 as estimated by the department. In estimating these levels, the department shall  
13 exclude any increased utilization of services provided by state centers for the  
14 developmentally disabled. The department shall calculate these amounts on a  
15 calendar year basis under sub. (10).

16 SECTION 42. 46.27 (10) (a) 1. of the statutes is amended to read:

17 46.27 (10) (a) 1. The department shall determine for each county participating  
18 in the pilot project under sub. (9) a funding level of state medical assistance  
19 expenditures to be received by the county. This level shall equal the amount that the  
20 department determines would otherwise be paid under s. 20.435 (5) (4) (b) because  
21 of increased utilization of nursing home services, as estimated by the department.

22 SECTION 43. 46.27 (11) (c) 3. of the statutes is amended to read:

23 46.27 (11) (c) 3. Medical assistance reimbursement for services a county, a  
24 private nonprofit agency or an aging unit with which the department contracts

Sec.# CR; 20.505(8)(km) 7.0 ✓  
20.505(8)(km) 7. The amount transferred to the appropriation account under  
s. 20.435(4)(ky) shall be \$2,055,000 in fiscal year 1999-2000 and \$2,115,000  
- fiscal year 2000-01. XXX NOTE: the creation of this subdivision is based on the

1 provides under this subsection shall be made from the appropriations under s. 20.435  
2 ~~(5)~~ (4) (o) and (7) (b) and (bd).

3 **SECTION 44.** 46.27 (11) (c) 4. of the statutes is amended to read:

4 46.27 (11) (c) 4. The department may, from the appropriation under s. 20.435  
5 ~~(5)~~ (4) (o), provide reimbursement for services provided under this subsection by  
6 counties that are in excess of the current average annual per person rate, as  
7 established by the department, and are less than or equal to the average amount  
8 approved in the waiver received under par. (am).

9 **SECTION 45.** 46.275 (5) (a) of the statutes is amended to read:

10 46.275 (5) (a) Medical assistance reimbursement for services a county, or the  
11 department under sub. (3r), provides under this program is available from the  
12 appropriations under s. 20.435 ~~(5)~~ (4) (b) and (o). If 2 or more counties jointly contract  
13 to provide services under this program and the department approves the contract,  
14 medical assistance reimbursement is also available for services provided jointly by  
15 these counties.

16 **SECTION 46.** 46.275 (5) (c) of the statutes is amended to read:

17 46.275 (5) (c) The total allocation under s. 20.435 ~~(5)~~ (4) (b) and (o) to counties  
18 and to the department under sub. (3r) for services provided under this section may  
19 not exceed the amount approved by the federal department of health and human  
20 services. A county may use funds received under this section only to provide services  
21 to persons who meet the requirements under sub. (4) and may not use unexpended  
22 funds received under this section to serve other developmentally disabled persons  
23 residing in the county.

24 **SECTION 47.** 46.275 (5) (d) of the statutes is amended to read:

1           46.275 (5) (d) The department may, from the appropriation under s. 20.435 (5)  
2           (4) (o), provide reimbursement for services provided under this section by counties  
3           that are in excess of the current average annual per person rate, as established by  
4           the department, and are less than the average amount approved in the waiver  
5           received under sub. (2).

6           **SECTION 48.** 46.278 (6) (d) of the statutes is amended to read:

7           46.278 (6) (d) If a county makes available nonfederal funds equal to the state  
8           share of service costs under the waiver received under sub. (3), the department may,  
9           from the appropriation under s. 20.435 (5) (4) (o), provide reimbursement for services  
10          that the county provides under this section to persons who are in addition to those  
11          who may be served under this section with funds from the appropriation under s.  
12          20.435 (5) (4) (b).

13          **SECTION 49.** 46.485 (2g) (intro.) of the statutes is amended to read:

14          46.485 (2g) (intro.) From the appropriation under s. 20.435 (5) (4) (b), the  
15          department may in each fiscal year transfer funds to the appropriation under s.  
16          20.435 (7) (kb) for distribution under this section and from the appropriation under  
17          s. 20.435 (7) (mb) the department may not distribute more than \$1,330,500 in each  
18          fiscal year to applying counties in this state that meet all of the following  
19          requirements, as determined by the department:

20          **SECTION 50.** 46.485 (3r) of the statutes is amended to read:

21          46.485 (3r) Funds that a county does not encumber before 24 months after  
22          June 30 of the fiscal year in which the funds were distributed under sub. (2g) lapse  
23          to the appropriation under s. 20.435 (5) (4) (b).

24          **SECTION 51.** 49.029 (2) of the statutes is amended to read:

1           49.029 (2) AMOUNT AND DISTRIBUTION OF RELIEF BLOCK GRANT. From the  
2 appropriation under s. 20.435 ~~(5)~~ (4) (bs), the department shall distribute a relief  
3 block grant to each eligible tribal governing body in an amount and in a manner  
4 determined in accordance with rules promulgated by the department. The  
5 department shall promulgate the rules after consulting with all tribal governing  
6 bodies eligible for a relief block grant. In promulgating rules under this section, the  
7 department shall consider each tribe's economic circumstances and need for health  
8 care services.

9           **SECTION 52.** 49.45 (2) (a) 4. of the statutes is amended to read:

10           49.45 (2) (a) 4. To the extent funds are available under s. 20.435 (1) (4) (bm),  
11 certify all proper charges and claims for administrative services to the department  
12 of administration for payment and the department of administration shall draw its  
13 warrant forthwith.

14           **SECTION 53.** 49.45 (2) (a) 17. of the statutes is amended to read:

15           49.45 (2) (a) 17. Notify the governor, the joint committee on legislative  
16 organization, the joint committee on finance and appropriate standing committees,  
17 as determined by the presiding officer of each house, if the appropriation under s.  
18 20.435 ~~(5)~~ (4) (b) is insufficient to provide the state share of medical assistance.

19           **SECTION 54.** 49.45 (3) (am) 1. of the statutes is amended to read:

20           49.45 (3) (am) 1. From the appropriation under s. 20.435 (1) (4) (bm), the  
21 department shall make incentive payments to counties to encourage counties to  
22 identify medical assistance applicants and recipients who have other health care  
23 coverage and the providers of the health care coverage and give that information to  
24 the department.

25           **SECTION 55.** 49.45 (3) (j) of the statutes is amended to read:

1           49.45 (3) (j) Reimbursement for administrative contract costs under this  
2 section is limited to the funds available under s. 20.435 ~~(1)~~ (4) (bm).

3           **SECTION 56.** 49.45 (5m) (a) of the statutes is amended to read:

4           49.45 (5m) (a) Notwithstanding sub. (3) (e), from the appropriations under s.  
5 20.435 ~~(5)~~ (4) (b) and (o) the department shall distribute not more than \$2,256,000  
6 in each fiscal year, to provide supplemental funds to rural hospitals that, as  
7 determined by the department, have high utilization of inpatient services by  
8 patients whose care is provided from governmental sources, except that the  
9 department may not distribute funds to a rural hospital to the extent that the  
10 distribution would exceed any limitation under 42 USC 1396b (i) (3).

11           **SECTION 57.** 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

12           49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this  
13 subsection made under s. 20.435 ~~(1)~~ (4) (b), (p) or ~~(5)~~ (b) or (o) shall, except as provided  
14 in pars. (bg), (bm) and (br), be determined according to a prospective payment system  
15 updated annually by the department. The payment system shall implement  
16 standards that are necessary and proper for providing patient care and that meet  
17 quality and safety standards established under subch. II of ch. 50 and ch. 150. The  
18 payment system shall reflect all of the following:

\*\*\*\*NOTE: This redraft (-0028/5) deletes treatment of s. 49.45 (6m) (ag) 8., which is  
repealed in LRB-1756. If LRB-1756 is not included in the budget bill, the treatment  
should be restored.

19           **SECTION 58.** 49.45 (6t) (intro.) of the statutes is amended to read:

20           49.45 (6t) COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING  
21 DEFICIT REDUCTION. (intro.) From the appropriation under s. 20.435 ~~(5)~~ (4) (o), for  
22 reduction of operating deficits, as defined under criteria developed by the  
23 department, incurred by a county department under s. 46.215, 46.22, 46.23 or 51.42

1 or by a local health department, as defined in s. 250.01 (4), for services provided  
2 under s. 49.46 (2) (a) 4. d. and (b) 6. f., j., k. and L., 9. and 15., for case management  
3 services under s. 49.46 (2) (b) 12. and for mental health day treatment services for  
4 minors provided under the authorization under 42 USC 1396d (r) (5), the department  
5 shall allocate up to \$4,500,000 in each fiscal year to these county departments, or  
6 local health departments as determined by the department, and shall perform all of  
7 the following:

8 **SECTION 59.** 49.45 (6t) (d) of the statutes is amended to read:

9 49.45 (6t) (d) If the federal department of health and human services approves  
10 for state expenditure in a fiscal year amounts under s. 20.435 (5) (4) (o) that result  
11 in a lesser allocation amount than that allocated under this subsection or disallows  
12 use of the allocation of federal medicaid funds under par. (c), reduce allocations under  
13 this subsection and distribute on a prorated basis, as determined by the department.

14 **SECTION 60.** 49.45 (6u) (intro.) of the statutes is amended to read:

15 49.45 (6u) SUPPLEMENTAL PAYMENTS TO CERTAIN FACILITIES. (intro.)  
16 Notwithstanding sub. (6m), from the appropriation under s. 20.435 (5) (4) (o), for  
17 reduction of operating deficits, as defined under criteria developed by the  
18 department, incurred by a facility, as defined under sub. (6m) (a) 3., that is  
19 established under s. 49.70 (1) or that is owned and operated by a city, village or town,  
20 the department may not distribute to these facilities more than \$38,600,000 in each  
21 fiscal year, as determined by the department, except that the department shall also  
22 distribute for this same purpose from the appropriation under s. 20.435 (5) (4) (o) any  
23 additional federal medical assistance moneys that were not anticipated before  
24 enactment of the biennial budget act or other legislation affecting s. 20.435 (5) (4) (o)  
25 and that were not used to fund nursing home rate increases under sub. (6m) (ag) 8.

1 The total amount that a county certifies under this subsection may not exceed 100%  
2 of otherwise-unreimbursed care. In distributing funds under this subsection, the  
3 department shall perform all of the following:

4 **SECTION 61.** 49.45 (6u) (d) of the statutes is amended to read:

5 49.45 (6u) (d) If the federal department of health and human services approves  
6 for state expenditure in a fiscal year amounts under s. 20.435 (5) (4) (o) that result  
7 in a lesser allocation amount than that allocated under this subsection, allocate not  
8 more than the lesser amount so approved by the federal department of health and  
9 human services.

10 **SECTION 62.** 49.45 (6u) (e) of the statutes is amended to read:

11 49.45 (6u) (e) If the federal department of health and human services approves  
12 for state expenditure in a fiscal year amounts under s. 20.435 (5) (4) (o) that result  
13 in a lesser allocation amount than that allocated under this subsection, submit a  
14 revision of the method developed under par. (b) for approval by the joint committee  
15 on finance in that state fiscal year.

16 **SECTION 63.** 49.45 (6v) (c) of the statutes is amended to read:

17 49.45 (6v) (c) If the report specified in par. (b) indicates that utilization of beds  
18 by recipients of medical assistance in facilities decreased, the department shall  
19 include a proposal to transfer from the appropriation under s. 20.435 (5) (4) (b) to the  
20 appropriation under s. 20.435 (7) (bd) for the purpose of increasing funding for the  
21 community options program under s. 46.27. The secretary shall transfer the amount  
22 identified under the proposal.

23 **SECTION 64.** 49.45 (6w) (intro.) of the statutes is amended to read:

24 49.45 (6w) HOSPITAL OPERATING DEFICIT REDUCTION. (intro.) From the  
25 appropriation under s. 20.435 (5) (4) (o), for reduction of operating deficits, as defined



1 under criteria developed by the department, incurred by a hospital, as defined under  
2 s. 50.33 (2) (a) and (b), that is operated by the state, established under s. 49.71 or  
3 owned and operated by a city or village, the department shall allocate up to  
4 \$3,300,000 in each fiscal year to these hospitals, as determined by the department,  
5 and shall perform all of the following:

6 **SECTION 65.** 49.45 (6w) (d) of the statutes is amended to read:

7 49.45 (6w) (d) If the federal department of health and human services approves  
8 for state expenditure in a fiscal year amounts under s. 20.435 (5) (4) (o) that result  
9 in a lesser allocation amount than that allocated under this subsection or disallows  
10 use of the allocation of federal medicaid funds under par. (c), reduce allocations under  
11 this subsection and distribute on a prorated basis, as determined by the department.

12 **SECTION 66.** 49.45 (6x) (a) of the statutes is amended to read:

13 49.45 (6x) (a) Notwithstanding sub. (3) (e), from the appropriations under s.  
14 20.435 (5) (4) (b) and (o) the department shall distribute not more than \$4,748,000  
15 in each fiscal year, to provide funds to an essential access city hospital, except that  
16 the department may not allocate funds to an essential access city hospital to the  
17 extent that the allocation would exceed any limitation under 42 USC 1396b (i) (3).

18 **SECTION 67.** 49.45 (6x) (d) of the statutes is amended to read:

19 49.45 (6x) (d) If the federal department of health and human services approves  
20 for state expenditure in any state fiscal year amounts under s. 20.435 (5) (4) (o) that  
21 result in a lesser distribution amount than that distributed under this subsection or  
22 disallows use of federal medicaid funds under par. (a), the department of health and  
23 family services shall reduce the distributions under this subsection.

24 **SECTION 68.** 49.45 (6y) (a) of the statutes is amended to read:

1           49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriations under s.  
2           20.435 (5) (4) (b) and (o) the department shall distribute funding in each fiscal year  
3           to provide supplemental payment to hospitals that enter into a contract under s.  
4           49.02 (2) to provide health care services funded by a relief block grant, as determined  
5           by the department, for hospital services that are not in excess of the hospitals'  
6           customary charges for the services, as limited under 42 USC 1396b (i) (3). If no relief  
7           block grant is awarded under this chapter or if the allocation of funds to such  
8           hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department  
9           may distribute funds to hospitals that have not entered into a contract under s. 49.02  
10          (2).

11           **SECTION 69.** 49.45 (6z) (a) (intro.) of the statutes is amended to read:

12           49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriations  
13           under s. 20.435 (5) (4) (b) and (o) the department shall distribute funding in each  
14           fiscal year to supplement payment for services to hospitals that enter into a contract  
15           under s. 49.02 (2) to provide health care services funded by a relief block grant under  
16           this chapter, if the department determines that the hospitals serve a  
17           disproportionate number of low-income patients with special needs. If no medical  
18           relief block grant under this chapter is awarded or if the allocation of funds to such  
19           hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department  
20           may distribute funds to hospitals that have not entered into a contract under s. 49.02  
21           (2). The department may not distribute funds under this subsection to the extent  
22           that the distribution would do any of the following:

23           **SECTION 70.** 49.45 (8) (b) of the statutes is amended to read:

24           49.45 (8) (b) Reimbursement under s. 20.435 (5) (4) (b) and (o) for home health  
25           services provided by a certified home health agency or independent nurse shall be

1 made at the home health agency's or nurse's usual and customary fee per patient care  
2 visit, subject to a maximum allowable fee per patient care visit that is established  
3 under par. (c).

4 **SECTION 71.** 49.45 (24m) (intro.) of the statutes is amended to read:

5 49.45 (24m) HOME HEALTH CARE AND PERSONAL CARE PILOT PROGRAM. (intro.)

6 From the appropriations under s. 20.435 ~~(5)~~ (4) (b) and (o), in order to test the  
7 feasibility of instituting a system of reimbursement for providers of home health care  
8 and personal care services for medical assistance recipients that is based on  
9 competitive bidding, the department shall:

10 **SECTION 72.** 49.475 (5) of the statutes is amended to read:

11 49.475 (5) REIMBURSEMENT OF COSTS. From the appropriations under s. 20.435  
12 ~~(4)~~ (4) (bm) and (p), the department shall reimburse an insurer that provides  
13 information under this section for the insurer's reasonable costs incurred in  
14 providing the requested information, including its reasonable costs, if any, to develop  
15 and operate automated systems specifically for the disclosure of information under  
16 this section.

17 **SECTION 73.** 49.496 (5) of the statutes is amended to read:

18 49.496 (5) USE OF FUNDS. From the appropriation under s. 20.435 ~~(5)~~ (4) (im),  
19 the department shall pay the amount of the payments under sub. (4) that is not paid  
20 from federal funds, shall pay to the federal government the amount of the funds  
21 recovered under this section equal to the amount of federal funds used to pay the  
22 benefits recovered under this section and shall spend the remainder of the funds  
23 recovered under this section for medical assistance benefits under this subchapter.

24 **SECTION 74.** 49.683 (2) of the statutes is amended to read:

1           49.683 (2) Approved costs for medical care under sub. (1) shall be paid from the  
2 appropriation under s. 20.435 ~~(5)~~ (4) (e).

3           **SECTION 75.** 49.687 (2) of the statutes is amended to read:

4           49.687 (2) The department shall develop and implement a sliding scale of  
5 patient liability for kidney disease aid under s. 49.68, cystic fibrosis aid under s.  
6 49.683 and hemophilia treatment under s. 49.685, based on the patient's ability to  
7 pay for treatment. To ensure that the needs for treatment of patients with lower  
8 incomes receive priority within the availability of funds under s. 20.435 ~~(5)~~ (4) (e),  
9 the department shall revise the sliding scale for patient liability by January 1, 1994,  
10 and shall, every 3 years thereafter by January 1, review and, if necessary, revise the  
11 sliding scale.

12           **SECTION 76.** 50.135 (2) (c) of the statutes is amended to read:

13           50.135 (2) (c) The fees collected under par. (a) shall be credited to the  
14 appropriations under s. 20.435 ~~(1)~~ (4) (gm) and (6) (jm) as specified in those  
15 appropriations for licensing, review and certifying activities.

16           **SECTION 77.** 146.93 (1) (a) of the statutes is amended to read:

17           146.93 (1) (a) From the appropriation under s. 20.435 ~~(1)~~ (4) (gp), the  
18 department shall maintain a program for the provision of primary health care  
19 services based on the primary health care program in existence on June 30, 1987.  
20 The department may promulgate rules necessary to implement the program.

21           **SECTION 78.** 146.99 of the statutes is amended to read:

22           **146.99 Assessments.** The department shall, within 90 days after the  
23 commencement of each fiscal year, estimate the total amount of expenditures and the  
24 department shall assess the estimated total amount under s. 20.435 ~~(1)~~ (4) (gp) to  
25 hospitals, as defined in s. 50.33 (2), in proportion to each hospital's respective gross

1 private-pay patient revenues during the hospital's most recently concluded entire  
2 fiscal year. Each hospital shall pay its assessment on or before December 1 for the  
3 fiscal year. All payments of assessments shall be deposited in the appropriation  
4 under s. 20.435 ~~(1)~~ (4) (gp).

5 **SECTION 79.** 149.143 (1) (a) of the statutes is amended to read:

6 149.143 (1) (a) First from the appropriation under s. 20.435 ~~(5)~~ (4) (af).

7 **SECTION 80.** 149.143 (1) (b) 1. a. of the statutes is amended to read:

8 149.143 (1) (b) 1. a. First, from premiums from eligible persons with coverage  
9 under s. 149.14 set at 150% of the rate that a standard risk would be charged under  
10 an individual policy providing substantially the same coverage and deductibles as  
11 are provided under the plan, including amounts received for premium and deductible  
12 subsidies under ss. 20.435 ~~(5)~~ (4) (ah) and 149.144, and from premiums collected from  
13 eligible persons with coverage under s. 149.146 set in accordance with s. 149.146 (2)  
14 (b).

15 **SECTION 81.** 149.143 (1) (b) 1. b. of the statutes is amended to read:

16 149.143 (1) (b) 1. b. Second, from the appropriation under s. 20.435 ~~(5)~~ (4) (gh),  
17 to the extent that the amounts under subd. 1. a. are insufficient to pay 60% of plan  
18 costs.

19 **SECTION 82.** 149.143 (1) (b) 1. c. of the statutes is amended to read:

20 149.143 (1) (b) 1. c. Third, by increasing premiums from eligible persons with  
21 coverage under s. 149.14 to more than 150% but not more than 200% of the rate that  
22 a standard risk would be charged under an individual policy providing substantially  
23 the same coverage and deductibles as are provided under the plan, including  
24 amounts received for premium and deductible subsidies under ss. 20.435 ~~(5)~~ (4) (ah)  
25 and 149.144, and by increasing premiums from eligible persons with coverage under

1 s. 149.146 in accordance with s. 149.146 (2) (b), to the extent that the amounts under  
2 subd. 1. a. and b. are insufficient to pay 60% of plan costs.

3 **SECTION 83.** 149.143 (2) (a) 1. a. of the statutes is amended to read:

4 149.143 (2) (a) 1. a. Estimate the amount of enrollee premiums that would be  
5 received in the new plan year if the enrollee premiums were set at a level sufficient,  
6 when including amounts received for premium and deductible subsidies under ss.  
7 20.435 ~~(5)~~ (4) (ah) and 149.144 and from premiums collected from eligible persons  
8 with coverage under s. 149.146 set in accordance with s. 149.146 (2) (b), to cover 60%  
9 of the estimated plan costs for the new plan year, after deducting from the estimated  
10 plan costs the amount available in the appropriation under s. 20.435 ~~(5)~~ (4) (af) for  
11 that plan year.

12 **SECTION 84.** 149.143 (2) (a) 1. c. of the statutes is amended to read:

13 149.143 (2) (a) 1. c. If the amount estimated to be received under subd. 1. a. is  
14 less than the amount estimated to be received under subd. 1. b., direct the plan  
15 administrator to provide to the department, prior to the beginning of the plan year  
16 and according to procedures specified by the department, the amount of the  
17 difference. The department shall deposit all amounts received under this subd. 1.  
18 c. in the appropriation account under s. 20.435 ~~(5)~~ (4) (gh).

19 **SECTION 85.** 149.144 of the statutes is amended to read:

20 **149.144 Adjustments to insurer assessments and provider payment**  
21 **rates for premium and deductible reductions.** If the moneys under s. 20.435  
22 ~~(5)~~ (4) (ah) are insufficient to reimburse the plan for premium reductions under s.  
23 149.165 and deductible reductions under s. 149.14 (5) (a), or the department  
24 determines that the moneys under s. 20.435 ~~(5)~~ (4) (ah) will be insufficient to  
25 reimburse the plan for premium reductions under s. 149.165 and deductible

1 reductions under s. 149.14 (5) (a), the department shall, by rule, adjust in equal  
2 proportions the amount of the assessment set under s. 149.143 (2) (a) 3. and the  
3 provider payment rate set under s. 149.143 (2) (a) 4., subject to s. 149.143 (1) (b) 1.,  
4 sufficient to reimburse the plan for premium reductions under s. 149.165 and  
5 deductible reductions under s. 149.14 (5) (a). The department shall notify the  
6 commissioner so that the commissioner may levy any increase in insurer  
7 assessments.

8 **SECTION 86.** 149.165 (4) of the statutes is amended to read:

9 149.165 (4) The department shall reimburse the plan for premium reductions  
10 under sub. (2) and deductible reductions under s. 149.14 (5) (a) with moneys from the  
11 appropriation under s. 20.435 (5) (4) (ah).

12 **SECTION 87.** 153.05 (6m) of the statutes is amended to read:

13 153.05 (6m) The department may contract with the group insurance board for  
14 the provision of data collection and analysis services related to health maintenance  
15 organizations and insurance companies that provide health insurance for state  
16 employes. The department shall establish contract fees for the provision of the  
17 services. All moneys collected under this subsection shall be credited to the  
18 appropriation under s. 20.435 (1) (4) (hg).

19 **SECTION 88.** 153.60 (1) of the statutes is amended to read:

20 153.60 (1) The department shall, by the first October 1 after the  
21 commencement of each fiscal year, estimate the total amount of expenditures under  
22 this chapter for the department and the board for that fiscal year for data collection,  
23 data base development and maintenance, generation of data files and standard  
24 reports, orientation and training provided under s. 153.05 (9) and maintaining the  
25 board. The department shall assess the estimated total amount for that fiscal year

1 less the estimated total amount to be received for purposes of administration of this  
2 chapter under s. 20.435 ~~(1)~~ (4) (hi) during the fiscal year, the unencumbered balance  
3 of the amount received for purposes of administration of this chapter under s. 20.435  
4 ~~(1)~~ (4) (hi) from the prior fiscal year and the amount in the appropriation account  
5 under s. 20.435 (1) (dg) for the fiscal year, to health care providers who are in a class  
6 of health care providers from whom the department collects data under this chapter  
7 in a manner specified by the department by rule. The department shall obtain  
8 approval from the board for the amounts of assessments for health care providers  
9 other than hospitals and ambulatory surgery centers. The department shall work  
10 together with the department of regulation and licensing to develop a mechanism for  
11 collecting assessments from health care providers other than hospitals and  
12 ambulatory surgery centers. No health care provider that is not a facility may be  
13 assessed under this subsection an amount that exceeds \$75 per fiscal year. Each  
14 hospital shall pay the assessment on or before December 1. All payments of  
15 assessments shall be deposited in the appropriation under s. 20.435 ~~(1)~~ (4) (hg).

16 **SECTION 89.** 153.60 (3) of the statutes is amended to read:

17 153.60 (3) The department shall, by the first October 1 after the  
18 commencement of each fiscal year, estimate the total amount of expenditures  
19 required for the collection, database development and maintenance and generation  
20 of public data files and standard reports for health care plans that voluntarily agree  
21 to supply health care data under s. 153.05 (6r). The department shall assess the  
22 estimated total amount for that fiscal year to health care plans in a manner specified  
23 by the department by rule and may enter into an agreement with the office of the  
24 commissioner of insurance for collection of the assessments. Each health plan that  
25 voluntarily agrees to supply this information shall pay the assessments on or before



1 December 1. All payments of assessments shall be deposited in the appropriation  
2 under s. 20.435 ~~(1)~~ (4) (hg) and may be used solely for the purposes of s. 153.05 (6r).

3 **SECTION 90.** 153.65 of the statutes is amended to read:

4 **153.65 Provision of special information; user fees.** The department may,  
5 but is not required to, provide, upon request from a person, a data compilation or a  
6 special report based on the information collected by the department. The  
7 department shall establish user fees for the provision of these compilations or  
8 reports, payable by the requester, which shall be sufficient to fund the actual  
9 necessary and direct cost of the compilation or report. All moneys collected under  
10 this section shall be credited to the appropriation under s. 20.435 ~~(1)~~ (4) (hi).

11 **SECTION 91.** 867.035 (4) of the statutes is amended to read:

12 867.035 (4) From the appropriation under s. 20.435 ~~(5)~~ (4) (im), with respect  
13 to funds collected by the department under sub. (1) related to medical assistance paid  
14 on behalf of the decedent or the decedent's spouse, the department of health and  
15 family services shall pay claims under sub. (3), shall pay to the federal government  
16 from the amount recovered under this section and not paid out as claims under sub.  
17 (3) an amount equal to the amount of federal funds used to pay the benefits recovered  
18 under this section and shall spend the remainder of the amount recovered under this  
19 section for medical assistance benefits under subch. IV of ch. 49.

20

(END)

TODAY In edit 2/3

1999 - 2000 LEGISLATURE

LRB-0028/67

DAK:jlg

D-NOTE

DOA:.....Jablonsky – Public health and health care financing appropriation changes

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1

*do not gen*  
AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**HEALTH**

Under current law, the appropriation accounts for expenditure of moneys by the department of health and family services (DHFS) are specified for several categories, including state operations and aids and local assistance for health services planning, regulation and delivery.

This bill reclassifies current categories of appropriation accounts for DHFS for health services planning, regulation and delivery into categories of health care financing and public health state operations and aids and local assistance.

For further information see the *state* 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:***

\*\*\*NOTE: This redraft (-0028/5) eliminates treatment of s. 16.0095, which is repealed in LRB-0829. If LRB-0829 is not included in the budget bill, the treatment should be restored.

1           **SECTION 1.** 20.435 (1) (title) of the statutes is amended to read:

2           20.435 (1) (title) ~~HEALTH~~ PUBLIC HEALTH SERVICES PLANNING, REGULATION AND  
3 DELIVERY; STATE OPERATIONS.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 2.** 20.435 (1) (a) of the statutes is amended to read:

5           20.435 (1) (a) *General program operations.* The amounts in the schedule for  
6 general program operations, including public health services regulation,  
7 administration and field services.

8           **SECTION 3.** 20.435 (1) (bm) of the statutes is renumbered 20.435 (4) (bm) and  
9 amended to read:

10           20.435 (4) (bm) *Medical assistance administration.* Biennially, the amounts  
11 in the schedule to provide the state share of administrative contract costs for the  
12 medical assistance program under ss. 49.45 and 49.665, to reimburse insurers for  
13 their costs under s. 49.475 and for costs associated with outreach activities. No state  
14 positions may be funded in the department of health and family services from this  
15 appropriation, except positions for the performance of duties under a contract in  
16 effect before January 1, 1987, related to the administration of the medical assistance  
17 program between the subunit of the department primarily responsible for  
18 administering the medical assistance program and another subunit of the  
19 department. Total administrative funding authorized for the program under s.  
20 49.665 may not exceed 10% of the amounts budgeted under ~~sub. (5) pars. (bc) and (p)~~  
21 (pa).

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

22           **SECTION 4.** 20.435 (1) (gm) of the statutes is amended to read:

and (10)(a) 2. and  
3.) ✓

(5) (f) ✓

RESTORE TO  
PLAIN TEXT

69 ✓

1 20.435 (1) (gm) *Licensing, review and certifying activities; fees; supplies and*

2 *services.* The amounts in the schedule for the purposes specified in ss. 146.50 (8),

3 250.05 (6), 252.23, 252.24, 252.245, 254.176, 254.178, 254.20 (5) and (8), 254.31 to

4 254.39, 254.41, 254.47, 254.61 to 254.89 and 255.08 (2) and ch. 150, for the purchase

5 and distribution of medical supplies and to analyze and provide data under s. 250.04.

6 All moneys received under ss. 146.50 (8) (d), 150.13, 250.04 (3m), 250.05 (6), 252.23

7 (4) (a), 252.24 (4) (a), 252.245 (9), 254.176, 254.178, 254.20 (5) and (8), 254.31 to

8 254.39, 254.41, 254.47, 254.61 to 254.89 and 255.08 (2) (b) and as reimbursement for

9 medical supplies shall be credited to this appropriation account. From the fees

10 collected under s. 50.135 (2), \$444,700 in fiscal year 1997-98 and \$451,600 in fiscal

11 year 1998-99 shall be credited to this appropriation account.

and  
ch.  
69 ✓

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

\*\*\*\*NOTE: This SECTION supersedes the treatment of s. 20.435 (1) (gm) in 1999 LRB-0027/1 (the "appropriation streamlining" draft); if both this draft and LRB-0027 are included in the budget bill, the treatment of s. 20.435 (1) (gm) in LRB-0027 should be eliminated.

INSERT  
3-11 ✓

12 SECTION 5. 20.435 (1) (gp) of the statutes is renumbered 20.435 (4) (gp).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

13 SECTION 6. 20.435 (1) (hg) of the statutes is renumbered 20.435 (4) (hg).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

14 SECTION 7. 20.435 (1) (hi) of the statutes is renumbered 20.435 (4) (hi).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

15 SECTION 8. 20.435 (1) (in) of the statutes is renumbered 20.435 (4) (in).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

16 SECTION 9. 20.435 (1) (p) of the statutes is renumbered 20.435 (4) (p).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1           **SECTION 10.** 20.435 (1) (u) of the statutes is renumbered 20.435 (4) (u).

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

2           **SECTION 11.** 20.435 (4) (title) of the statutes is created to read:

3           20.435 (4) (title) HEALTH SERVICES PLANNING, REGULATION AND DELIVERY; HEALTH  
4           CARE FINANCING.

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5           **SECTION 12.** 20.435 (4) (a) of the statutes is created to read:

6           20.435 (4) (a) *General program operations.* The amounts in the schedule for  
7           general program operations, including health care financing regulation,  
8           administration and field services.

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9           **SECTION 13.** 20.435 (4) (e) of the statutes is created to read:

10          20.435 (4) (e) *Disease aids.* Biennially, the amounts in the schedule for  
11          assisting victims of diseases, as provided in ss. 49.68, 49.683 and 49.685.

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

12          **SECTION 14.** 20.435 (4) (gm) of the statutes is created to read:

13          20.435 (4) (gm) *Health services regulation and vital statistics.* The amounts in  
14          the schedule for the purposes specified in chs. 69 and 150. All moneys received under  
15          ch. 69 and s. 150.13 shall be credited to this appropriation account. From the fees  
16          collected under s. 50.135 (2), \$247,000 in fiscal year 1999–2000 and \$297,200 in fiscal  
17          year 2000–01 shall be credited to this appropriation account.

      \*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

18          **SECTION 15.** 20.435 (4) (i) of the statutes is created to read:

1           20.435 (4) (i) *Gifts and grants; health care financing.* All moneys received from  
2 gifts, grants, bequests and trust funds to provide health care financing consistent  
3 with the purpose of the gift, grant, bequest or trust fund.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 16.** 20.435 (4) (kx) of the statutes is created to read:

5           20.435 (4) (kx) *Interagency and intra-agency programs.* All moneys received  
6 from other state agencies and all moneys received by the department from the  
7 department for the administration of programs or projects, for the purposes for which  
8 received.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

9           **SECTION 17.** 20.435 (4) (ky) of the statutes is created to read:

10          20.435 (4) (ky) *Interagency and intra-agency aids.* All moneys received from  
11 other state agencies, including moneys transferred from s. 20.505 (8) (hm) 7., and all  
12 moneys received by the department from the department for aids to individuals and  
13 organizations, for the purpose of providing those aids.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

      \*\*\*\*NOTE: The inclusion of the reference to s. 20.505 (8) (hm) in this paragraph is  
based on the creation of s. 20.505 (8) (hm) in LRB-0757. If LRB-0757 is not included in  
the budget bill, this paragraph will need to be redrafted.

14          **SECTION 18.** 20.435 (4) (kz) of the statutes is created to read:

15          20.435 (4) (kz) *Interagency and intra-agency local assistance.* All moneys  
16 received from other state agencies and all moneys received by the department from  
17 the department for local assistance, for the purpose of providing that assistance.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

18          **SECTION 19.** 20.435 (4) (m) of the statutes is created to read:

1           20.435 (4) (m) *Federal project operations*. All moneys received from the federal  
2 government or any of its agencies for the state administration of specific limited term  
3 projects, to be expended for the purposes specified.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

4           **SECTION 20.** 20.435 (4) (ma) of the statutes is created to read:

5           20.435 (4) (ma) *Federal project aids*. All moneys received from the federal  
6 government or any of its agencies for specific limited term projects of aids to  
7 individuals or organizations, to be expended for the purposes specified.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

8           **SECTION 21.** 20.435 (4) (md) of the statutes is created to read:

9           20.435 (4) (md) *Federal block grant aids*. All block grant moneys received from  
10 the federal government or any of its agencies for aids to individuals or organizations,  
11 other than for specific limited term projects and continuing programs, to be expended  
12 for the purposes specified.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

13          **SECTION 22.** 20.435 (4) (n) of the statutes is created to read:

14          20.435 (4) (n) *Federal program operations*. All moneys received from the  
15 federal government or any of its agencies for the state administration of continuing  
16 programs, to be expended for the purposes specified.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

17          **SECTION 23.** 20.435 (4) (na) of the statutes is created to read:

18          20.435 (4) (na) *Federal program aids*. All moneys received from the federal  
19 government or any of its agencies for continuing programs of aids to individuals or  
20 organizations, to be expended for the purposes specified.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 SECTION 24. 20.435 (5) (title) of the statutes is amended to read:

2 20.435 (5) (title) ~~HEALTH~~ PUBLIC HEALTH SERVICES PLANNING, REGULATION AND  
3 DELIVERY; AIDS AND LOCAL ASSISTANCE.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4 SECTION 25. 20.435 (5) (af) of the statutes is renumbered 20.435 (4) (af).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5 SECTION 26. 20.435 (5) (ah) of the statutes is renumbered 20.435 (4) (ah).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 SECTION 27. 20.435 (5) (b) of the statutes is renumbered 20.435 (4) (b).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

7 SECTION 28. 20.435 (5) (bc) of the statutes is renumbered 20.435 (4) (bc).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8 SECTION 29. 20.435 (5) (bs) of the statutes is renumbered 20.435 (4) (bs).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9 SECTION 30. 20.435 (5) (d) of the statutes is renumbered 20.435 (4) (d).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

10 SECTION 31. 20.435 (5) (e) of the statutes is amended to read:

11 20.435 (5) (e) *Disease aids.* Biennially, the amounts in the schedule for

12 assisting victims of diseases, as provided in ~~ss. 49.68, 49.683, 49.685, 58.06, 252.08~~

13 ~~(4) and (5) and 252.10 (6) and (7), as allocated distributed~~ by the department.

14 SECTION 32. 20.435 (5) (gh) of the statutes is renumbered 20.435 (4) (gh).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

15 SECTION 33. 20.435 (5) (im) of the statutes is renumbered 20.435 (4) (im).

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\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1       **SECTION 34.** 20.435 (5) (jz) of the statutes is renumbered 20.435 (4) (jz).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

2       **SECTION 35.** 20.435 (5) (o) of the statutes is renumbered 20.435 (4) (o).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

3       **SECTION 36.** 20.435 (5) (p) of the statutes is renumbered 20.435 (4) (pa).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4       **SECTION 37.** 20.435 (6) (jm) of the statutes is amended to read:

5       20.435 (6) (jm) *Licensing and support services.* The amounts in the schedule  
6       for the purposes specified in ss. 50.02 (2), 50.025, 50.13, 50.135, 50.36 (2), 50.49 (2)  
7       (b), 50.495, 50.52 (2) (a), 50.57 and 50.981 and subch. IV of ch. 50 and to conduct  
8       health facilities plan and rule development activities, for accrediting nursing homes,  
9       convalescent homes and homes for the aged, to conduct capital construction and  
10       remodeling plan reviews under ss. 50.02 (2) (b) and 50.36 (2) and for the costs of  
11       inspecting, licensing and approving facilities, issuing permits and providing  
12       technical assistance that are not specified under any other paragraph in this  
13       subsection. All moneys received under ss. 50.02 (2), 50.025, 50.13, 50.36 (2), 50.49  
14       (2) (b), 50.495, 50.52 (2) (a), 50.57, 50.93 (1) (c) and 50.981, all moneys received from  
15       fees for the costs of inspecting, licensing and approving facilities, issuing permits and  
16       providing technical assistance that are not specified under any other paragraph in  
17       this subsection, and all moneys received under 50.135 (2), less the amounts credited  
18       to the appropriation account under sub. (1) (4) (gm), shall be credited to this  
19       appropriation account.

20       **SECTION 38.** 20.435 (7) (bd) of the statutes is amended to read:

1           20.435 (7) (bd) *Community options program and long-term support pilot*  
2 *projects.* The amounts in the schedule for assessments, case planning, services and  
3 administration under s. 46.27 and for pilot projects under s. 46.271 (1), and the  
4 amounts carried forward under 1997 Wisconsin Act 27, section 9123 (2), for the pilot  
5 project under s. 46.271 (2m). If the department transfers funds to this appropriation  
6 from the appropriation account under sub. (5) (4) (b), the amounts in the schedule  
7 for the fiscal year for which the transfer is made are increased by the amount of the  
8 transfer for the purposes specified in s. 49.45 (6v). Notwithstanding ss. 20.001 (3)  
9 (a) and 20.002 (1), the department may under this paragraph transfer moneys  
10 between fiscal years. Except for moneys authorized for transfer under this  
11 appropriation, under s. 46.27 (7) (fm) or (g) or under 1997 Wisconsin Act 27, section  
12 9123 (2), all moneys under this appropriation that are allocated under s. 46.27 and  
13 are not spent or encumbered by counties or by the department by December 31 of  
14 each year shall lapse to the general fund on the succeeding January 1 unless  
15 transferred to the next calendar year by the joint committee on finance.

16           **SECTION 39.** 20.435 (7) (im) of the statutes is amended to read:

17           20.435 (7) (im) *Community options program; recovery of costs of care.* From the  
18 moneys received from the recovery of costs of care under ss. 46.27 (7g) and 867.035,  
19 all moneys not appropriated under sub. (1) (4) (im), for payments to county  
20 departments and aging units under s. 46.27 (7g) (d), payment of claims under s.  
21 867.035 (3) and payments for long-term community support services funded under  
22 s. 46.27 (7) as provided in ss. 46.27 (7g) (e) and 867.035 (4m).

23           **SECTION 40.** 20.435 (7) (kb) of the statutes is amended to read:

24           20.435 (7) (kb) *Severely emotionally disturbed children.* As a continuing  
25 appropriation, all moneys transferred from the appropriation under sub. (5) (4) (b)

1 to this appropriation to provide, under s. 46.485, mental health care and treatment  
2 and community-based mental health services for severely emotionally disturbed  
3 children. Notwithstanding s. 20.002 (1), the department of health and family  
4 services may transfer from this appropriation to the appropriation under sub. ~~(5)~~ (4)  
5 (b) funds as specified in s. 46.485 (3r).

6 **SECTION 41.** 20.505 (8) (hm) 7. of the statutes is created to read:

7 20.505 (8) (hm) 7. The amount transferred to the appropriation account under  
8 s. 20.435 (4) (ky) shall be \$2,055,000 in fiscal year 1999–2000 and \$2,115,000 in fiscal  
9 year 2000–01.

\*\*\*\*NOTE: The creation of this subdivision is based on the creation of s. 20.505 (8)  
(hm) in LRB-0757. If LRB-0757 is not included in the budget bill, this subdivision should  
be eliminated.

10 **SECTION 42.** 46.27 (9) (a) of the statutes is amended to read:

11 46.27 (9) (a) The department may select up to 5 counties that volunteer to  
12 participate in a pilot project under which they will receive certain funds allocated for  
13 long-term care. The department shall allocate a level of funds to these counties  
14 equal to the amount that would otherwise be paid under s. 20.435 ~~(5)~~ (4) (b) to nursing  
15 homes for providing care because of increased utilization of nursing home services,  
16 as estimated by the department. In estimating these levels, the department shall  
17 exclude any increased utilization of services provided by state centers for the  
18 developmentally disabled. The department shall calculate these amounts on a  
19 calendar year basis under sub. (10).

20 **SECTION 43.** 46.27 (10) (a) 1. of the statutes is amended to read:

21 46.27 (10) (a) 1. The department shall determine for each county participating  
22 in the pilot project under sub. (9) a funding level of state medical assistance  
23 expenditures to be received by the county. This level shall equal the amount that the

1 department determines would otherwise be paid under s. 20.435 ~~(5)~~ (4) (b) because  
2 of increased utilization of nursing home services, as estimated by the department.

3 **SECTION 44.** 46.27 (11) (c) 3. of the statutes is amended to read:

4 46.27 **(11)** (c) 3. Medical assistance reimbursement for services a county, a  
5 private nonprofit agency or an aging unit with which the department contracts  
6 provides under this subsection shall be made from the appropriations under s. 20.435  
7 ~~(5)~~ (4) (o) and (7) (b) and (bd).

8 **SECTION 45.** 46.27 (11) (c) 4. of the statutes is amended to read:

9 46.27 **(11)** (c) 4. The department may, from the appropriation under s. 20.435  
10 ~~(5)~~ (4) (o), provide reimbursement for services provided under this subsection by  
11 counties that are in excess of the current average annual per person rate, as  
12 established by the department, and are less than or equal to the average amount  
13 approved in the waiver received under par. (am).

14 **SECTION 46.** 46.275 (5) (a) of the statutes is amended to read:

15 46.275 **(5)** (a) Medical assistance reimbursement for services a county, or the  
16 department under sub. (3r), provides under this program is available from the  
17 appropriations under s. 20.435 ~~(5)~~ (4) (b) and (o). If 2 or more counties jointly contract  
18 to provide services under this program and the department approves the contract,  
19 medical assistance reimbursement is also available for services provided jointly by  
20 these counties.

21 **SECTION 47.** 46.275 (5) (c) of the statutes is amended to read:

22 46.275 **(5)** (c) The total allocation under s. 20.435 ~~(5)~~ (4) (b) and (o) to counties  
23 and to the department under sub. (3r) for services provided under this section may  
24 not exceed the amount approved by the federal department of health and human  
25 services. A county may use funds received under this section only to provide services

1 to persons who meet the requirements under sub. (4) and may not use unexpended  
2 funds received under this section to serve other developmentally disabled persons  
3 residing in the county.

4 **SECTION 48.** 46.275 (5) (d) of the statutes is amended to read:

5 46.275 (5) (d) The department may, from the appropriation under s. 20.435 (5)  
6 (4) (o), provide reimbursement for services provided under this section by counties  
7 that are in excess of the current average annual per person rate, as established by  
8 the department, and are less than the average amount approved in the waiver  
9 received under sub. (2).

10 **SECTION 49.** 46.278 (6) (d) of the statutes is amended to read:

11 46.278 (6) (d) If a county makes available nonfederal funds equal to the state  
12 share of service costs under the waiver received under sub. (3), the department may,  
13 from the appropriation under s. 20.435 (5) (4) (o), provide reimbursement for services  
14 that the county provides under this section to persons who are in addition to those  
15 who may be served under this section with funds from the appropriation under s.  
16 20.435 (5) (4) (b).

17 **SECTION 50.** 46.485 (2g) (intro.) of the statutes is amended to read:

18 46.485 (2g) (intro.) From the appropriation under s. 20.435 (5) (4) (b), the  
19 department may in each fiscal year transfer funds to the appropriation under s.  
20 20.435 (7) (kb) for distribution under this section and from the appropriation under  
21 s. 20.435 (7) (mb) the department may not distribute more than \$1,330,500 in each  
22 fiscal year to applying counties in this state that meet all of the following  
23 requirements, as determined by the department:

24 **SECTION 51.** 46.485 (3r) of the statutes is amended to read:

1           46.485 (3r) Funds that a county does not encumber before 24 months after  
2           June 30 of the fiscal year in which the funds were distributed under sub. (2g) lapse  
3           to the appropriation under s. 20.435 (5) (4) (b).

4           ~~SECTION 52. 49.029 (2) of the statutes is amended to read:~~

5           ~~49.029 (2) AMOUNT AND DISTRIBUTION OF RELIEF BLOCK GRANT. From the~~  
6           ~~appropriation under s. 20.435 (5) (4) (bs), the department shall distribute a relief~~  
7           ~~block grant to each eligible tribal governing body in an amount and in a manner~~  
8           ~~determined in accordance with rules promulgated by the department. The~~  
9           ~~department shall promulgate the rules after consulting with all tribal governing~~  
10          ~~bodies eligible for a relief block grant. In promulgating rules under this section, the~~  
11          ~~department shall consider each tribe's economic circumstances and need for health~~  
12          ~~care services.~~

13          SECTION 53. 49.45 (2) (a) 4. of the statutes is amended to read:

14          49.45 (2) (a) 4. To the extent funds are available under s. 20.435 (1) (4) (bm),  
15          certify all proper charges and claims for administrative services to the department  
16          of administration for payment and the department of administration shall draw its  
17          warrant forthwith.

18          SECTION 54. 49.45 (2) (a) 17. of the statutes is amended to read:

19          49.45 (2) (a) 17. Notify the governor, the joint committee on legislative  
20          organization, the joint committee on finance and appropriate standing committees,  
21          as determined by the presiding officer of each house, if the appropriation under s.  
22          20.435 (5) (4) (b) is insufficient to provide the state share of medical assistance.

23          SECTION 55. 49.45 (3) (am) 1. of the statutes is amended to read:

24          49.45 (3) (am) 1. From the appropriation under s. 20.435 (1) (4) (bm), the  
25          department shall make incentive payments to counties to encourage counties to

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

4 **SECTION 56.** 49.45 (3) (j) of the statutes is amended to read:

5 49.45 (3) (j) Reimbursement for administrative contract costs under this  
6 section is limited to the funds available under s. 20.435 (1) (4) (bm).

7 **SECTION 57.** ~~49.45 (5m) (a) of the statutes is amended to read:~~

8 ~~49.45 (5m) (a) Notwithstanding sub. (3) (e), from the appropriations under s.  
9 20.435 (5) (4) (b) and (o) the department shall distribute not more than \$2,256,000  
10 in each fiscal year, to provide supplemental funds to rural hospitals that, as  
11 determined by the department, have high utilization of inpatient services by  
12 patients whose care is provided from governmental sources, except that the  
13 department may not distribute funds to a rural hospital to the extent that the  
14 distribution would exceed any limitation under 42 USC 1396b (i) (3).~~

15 **SECTION 58.** 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

16 49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this  
17 subsection made under s. 20.435 (1) (4) (b), (p) or (5) (b) or (o) shall, except as provided  
18 in pars. (bg), (bm) and (br), be determined according to a prospective payment system  
19 updated annually by the department. The payment system shall implement  
20 standards that are necessary and proper for providing patient care and that meet  
21 quality and safety standards established under subch. II of ch. 50 and ch. 150. The  
22 payment system shall reflect all of the following:

\*\*\*\*NOTE: This redraft (-0028/5) deletes treatment of s. 49.45 (6m) (ag) 8., which is  
repealed in LRB-1756. If LRB-1756 is not included in the budget bill, the treatment  
should be restored.

23 **SECTION 59.** 49.45 (6t) (intro.) of the statutes is amended to read:

1           **49.45 (6t)** COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING  
2 DEFICIT REDUCTION. (intro.) From the appropriation under s. 20.435 (5) (4) (o), for  
3 reduction of operating deficits, as defined under criteria developed by the  
4 department, incurred by a county department under s. 46.215, 46.22, 46.23 or 51.42  
5 or by a local health department, as defined in s. 250.01 (4), for services provided  
6 under s. 49.46 (2) (a) 4. d. and (b) 6. f., j., k. and L., 9. and 15., for case management  
7 services under s. 49.46 (2) (b) 12. and for mental health day treatment services for  
8 minors provided under the authorization under 42 USC 1396d (r) (5), the department  
9 shall allocate up to \$4,500,000 in each fiscal year to these county departments, or  
10 local health departments as determined by the department, and shall perform all of  
11 the following:

12           **SECTION 60.** 49.45 (6t) (d) of the statutes is amended to read:

13           **49.45 (6t)** (d) If the federal department of health and human services approves  
14 for state expenditure in a fiscal year amounts under s. 20.435 (5) (4) (o) that result  
15 in a lesser allocation amount than that allocated under this subsection or disallows  
16 use of the allocation of federal medicaid funds under par. (c), reduce allocations under  
17 this subsection and distribute on a prorated basis, as determined by the department.

18           **SECTION 61.** 49.45 (6u) (intro.) of the statutes is amended to read:

19           **49.45 (6u)** SUPPLEMENTAL PAYMENTS TO CERTAIN FACILITIES. (intro.)  
20 Notwithstanding sub. (6m), from the appropriation under s. 20.435 (5) (4) (o), for  
21 reduction of operating deficits, as defined under criteria developed by the  
22 department, incurred by a facility, as defined under sub. (6m) (a) 3., that is  
23 established under s. 49.70 (1) or that is owned and operated by a city, village or town,  
24 the department may not distribute to these facilities more than \$38,600,000 in each  
25 fiscal year, as determined by the department, except that the department shall also



1 distribute for this same purpose from the appropriation under s. 20.435 ~~(5)~~ (4) (o) any  
2 additional federal medical assistance moneys that were not anticipated before  
3 enactment of the biennial budget act or other legislation affecting s. 20.435 ~~(5)~~ (4) (o)  
4 and that were not used to fund nursing home rate increases under sub. (6m) (ag) 8.  
5 The total amount that a county certifies under this subsection may not exceed 100%  
6 of otherwise-unreimbursed care. In distributing funds under this subsection, the  
7 department shall perform all of the following:

8 **SECTION 62.** 49.45 (6u) (d) of the statutes is amended to read:

9 49.45 **(6u)** (d) If the federal department of health and human services approves  
10 for state expenditure in a fiscal year amounts under s. 20.435 ~~(5)~~ (4) (o) that result  
11 in a lesser allocation amount than that allocated under this subsection, allocate not  
12 more than the lesser amount so approved by the federal department of health and  
13 human services.

14 **SECTION 63.** 49.45 (6u) (e) of the statutes is amended to read:

15 49.45 **(6u)** (e) If the federal department of health and human services approves  
16 for state expenditure in a fiscal year amounts under s. 20.435 ~~(5)~~ (4) (o) that result  
17 in a lesser allocation amount than that allocated under this subsection, submit a  
18 revision of the method developed under par. (b) for approval by the joint committee  
19 on finance in that state fiscal year.

20 **SECTION 64.** 49.45 (6v) (c) of the statutes is amended to read:

21 49.45 **(6v)** (c) If the report specified in par. (b) indicates that utilization of beds  
22 by recipients of medical assistance in facilities decreased, the department shall  
23 include a proposal to transfer from the appropriation under s. 20.435 ~~(5)~~ (4) (b) to the  
24 appropriation under s. ~~20.435~~ (7) (bd) for the purpose of increasing funding for the

1 community options program under s. 46.27. The secretary shall transfer the amount  
2 identified under the proposal.

3 **SECTION 65.** 49.45 (6w) (intro.) of the statutes is amended to read:

4 49.45 (6w) HOSPITAL OPERATING DEFICIT REDUCTION. (intro.) From the  
5 appropriation under s. 20.435 (5) (4) (o), for reduction of operating deficits, as defined  
6 under criteria developed by the department, incurred by a hospital, as defined under  
7 s. 50.33 (2) (a) and (b), that is operated by the state, established under s. 49.71 or  
8 owned and operated by a city or village, the department shall allocate up to  
9 \$3,300,000 in each fiscal year to these hospitals, as determined by the department,  
10 and shall perform all of the following:

11 **SECTION 66.** 49.45 (6w) (d) of the statutes is amended to read:

12 49.45 (6w) (d) If the federal department of health and human services approves  
13 for state expenditure in a fiscal year amounts under s. 20.435 (5) (4) (o) that result  
14 in a lesser allocation amount than that allocated under this subsection or disallows  
15 use of the allocation of federal medicaid funds under par. (c), reduce allocations under  
16 this subsection and distribute on a prorated basis, as determined by the department.

17 **SECTION 67.** 49.45 (6x) (a) of the statutes is amended to read:

18 49.45 (6x) (a) Notwithstanding sub. (3) (e), from the appropriations under s.  
19 20.435 (5) (4) (b) and (o) the department shall distribute not more than \$4,748,000  
20 in each fiscal year, to provide funds to an essential access city hospital, except that  
21 the department may not allocate funds to an essential access city hospital to the  
22 extent that the allocation would exceed any limitation under 42 USC 1396b (i) (3).

23 **SECTION 68.** 49.45 (6x) (d) of the statutes is amended to read:

24 49.45 (6x) (d) If the federal department of health and human services approves  
25 for state expenditure in any state fiscal year amounts under s. 20.435 (5) (4) (o) that

1 result in a lesser distribution amount than that distributed under this subsection or  
2 disallows use of federal medicaid funds under par. (a), the department of health and  
3 family services shall reduce the distributions under this subsection.

4 **SECTION 69.** 49.45 (6y) (a) of the statutes is amended to read:

5 49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriations under s.  
6 20.435 (5) (4) (b) and (o) the department shall distribute funding in each fiscal year  
7 to provide supplemental payment to hospitals that enter into a contract under s.  
8 49.02 (2) to provide health care services funded by a relief block grant, as determined  
9 by the department, for hospital services that are not in excess of the hospitals'  
10 customary charges for the services, as limited under 42 USC 1396b (i) (3). If no relief  
11 block grant is awarded under this chapter or if the allocation of funds to such  
12 hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department  
13 may distribute funds to hospitals that have not entered into a contract under s. 49.02  
14 (2).

15 **SECTION 70.** 49.45 (6z) (a) (intro.) of the statutes is amended to read:

16 49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriations  
17 under s. 20.435 (5) (4) (b) and (o) the department shall distribute funding in each  
18 fiscal year to supplement payment for services to hospitals that enter into a contract  
19 under s. 49.02 (2) to provide health care services funded by a relief block grant under  
20 this chapter, if the department determines that the hospitals serve a  
21 disproportionate number of low-income patients with special needs. If no medical  
22 relief block grant under this chapter is awarded or if the allocation of funds to such  
23 hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department  
24 may distribute funds to hospitals that have not entered into a contract under s. 49.02

1 (2). The department may not distribute funds under this subsection to the extent  
2 that the distribution would do any of the following:

3 **SECTION 71.** 49.45 (8) (b) of the statutes is amended to read:

4 49.45 (8) (b) Reimbursement under s. 20.435 (5) (4) (b) and (o) for home health  
5 services provided by a certified home health agency or independent nurse shall be  
6 made at the home health agency's or nurse's usual and customary fee per patient care  
7 visit, subject to a maximum allowable fee per patient care visit that is established  
8 under par. (c).

9 **SECTION 72.** 49.45 (24m) (intro.) of the statutes is amended to read:

10 49.45 (24m) HOME HEALTH CARE AND PERSONAL CARE PILOT PROGRAM. (intro.)  
11 From the appropriations under s. 20.435 (5) (4) (b) and (o), in order to test the  
12 feasibility of instituting a system of reimbursement for providers of home health care  
13 and personal care services for medical assistance recipients that is based on  
14 competitive bidding, the department shall:

15 **SECTION 73.** 49.475 (5) of the statutes is amended to read:

16 49.475 (5) REIMBURSEMENT OF COSTS. From the appropriations under s. 20.435  
17 (1) (4) (bm) and (p), the department shall reimburse an insurer that provides  
18 information under this section for the insurer's reasonable costs incurred in  
19 providing the requested information, including its reasonable costs, if any, to develop  
20 and operate automated systems specifically for the disclosure of information under  
21 this section.

22 **SECTION 74.** 49.496 (5) of the statutes is amended to read:

23 49.496 (5) USE OF FUNDS. From the appropriation under s. 20.435 (5) (4) (im),  
24 the department shall pay the amount of the payments under sub. (4) that is not paid  
25 from federal funds, shall pay to the federal government the amount of the funds

1 recovered under this section equal to the amount of federal funds used to pay the  
2 benefits recovered under this section and shall spend the remainder of the funds  
3 recovered under this section for medical assistance benefits under this subchapter.

4 **SECTION 75.** 49.683 (2) of the statutes is amended to read:

5 49.683 (2) Approved costs for medical care under sub. (1) shall be paid from the  
6 appropriation under s. 20.435 ~~(5)~~ (4) (e).

7 **SECTION 76.** 49.687 (2) of the statutes is amended to read:

8 49.687 (2) The department shall develop and implement a sliding scale of  
9 patient liability for kidney disease aid under s. 49.68, cystic fibrosis aid under s.  
10 49.683 and hemophilia treatment under s. 49.685, based on the patient's ability to  
11 pay for treatment. To ensure that the needs for treatment of patients with lower  
12 incomes receive priority within the availability of funds under s. 20.435 ~~(5)~~ (4) (e),  
13 the department shall revise the sliding scale for patient liability by January 1, 1994,  
14 and shall, every 3 years thereafter by January 1, review and, if necessary, revise the  
15 sliding scale.

16 **SECTION 77.** 50.135 (2) (c) of the statutes is amended to read:

17 50.135 (2) (c) The fees collected under par. (a) shall be credited to the  
18 appropriations under s. 20.435 ~~(1)~~ (4) (gm) and (6) (jm) as specified in those  
19 appropriations for licensing, review and certifying activities.

20 **SECTION 78.** 146.93 (1) (a) of the statutes is amended to read:

21 146.93 (1) (a) From the appropriation under s. 20.435 ~~(1)~~ (4) (gp), the  
22 department shall maintain a program for the provision of primary health care  
23 services based on the primary health care program in existence on June 30, 1987.  
24 The department may promulgate rules necessary to implement the program.

25 **SECTION 79.** 146.99 of the statutes is amended to read:

1           **146.99 Assessments.** The department shall, within 90 days after the  
2 commencement of each fiscal year, estimate the total amount of expenditures and the  
3 department shall assess the estimated total amount under s. 20.435 ~~(1)~~ (4) (gp) to  
4 hospitals, as defined in s. 50.33 (2), in proportion to each hospital's respective gross  
5 private-pay patient revenues during the hospital's most recently concluded entire  
6 fiscal year. Each hospital shall pay its assessment on or before December 1 for the  
7 fiscal year. All payments of assessments shall be deposited in the appropriation  
8 under s. 20.435 ~~(1)~~ (4) (gp).

9           **SECTION 80.** 149.143 (1) (a) of the statutes is amended to read:

10           149.143 (1) (a) First from the appropriation under s. 20.435 ~~(5)~~ (4) (af).

11           **SECTION 81.** 149.143 (1) (b) 1. a. of the statutes is amended to read:

12           149.143 (1) (b) 1. a. First, from premiums from eligible persons with coverage  
13 under s. 149.14 set at 150% of the rate that a standard risk would be charged under  
14 an individual policy providing substantially the same coverage and deductibles as  
15 are provided under the plan, including amounts received for premium and deductible  
16 subsidies under ss. 20.435 ~~(5)~~ (4) (ah) and 149.144, and from premiums collected from  
17 eligible persons with coverage under s. 149.146 set in accordance with s. 149.146 (2)  
18 (b).

19           **SECTION 82.** 149.143 (1) (b) 1. b. of the statutes is amended to read:

20           149.143 (1) (b) 1. b. Second, from the appropriation under s. 20.435 ~~(5)~~ (4) (gh),  
21 to the extent that the amounts under subd. 1. a. are insufficient to pay 60% of plan  
22 costs.

23           **SECTION 83.** 149.143 (1) (b) 1. c. of the statutes is amended to read:

24           149.143 (1) (b) 1. c. Third, by increasing premiums from eligible persons with  
25 coverage under s. 149.14 to more than 150% but not more than 200% of the rate that

1 a standard risk would be charged under an individual policy providing substantially  
2 the same coverage and deductibles as are provided under the plan, including  
3 amounts received for premium and deductible subsidies under ss. 20.435 ~~(5)~~ (4) (ah)  
4 and 149.144, and by increasing premiums from eligible persons with coverage under  
5 s. 149.146 in accordance with s. 149.146 (2) (b), to the extent that the amounts under  
6 subd. 1. a. and b. are insufficient to pay 60% of plan costs.

7 **SECTION 84.** 149.143 (2) (a) 1. a. of the statutes is amended to read:

8 149.143 (2) (a) 1. a. Estimate the amount of enrollee premiums that would be  
9 received in the new plan year if the enrollee premiums were set at a level sufficient,  
10 when including amounts received for premium and deductible subsidies under ss.  
11 20.435 ~~(5)~~ (4) (ah) and 149.144 and from premiums collected from eligible persons  
12 with coverage under s. 149.146 set in accordance with s. 149.146 (2) (b), to cover 60%  
13 of the estimated plan costs for the new plan year, after deducting from the estimated  
14 plan costs the amount available in the appropriation under s. 20.435 ~~(5)~~ (4) (af) for  
15 that plan year.

16 **SECTION 85.** 149.143 (2) (a) 1. c. of the statutes is amended to read:

17 149.143 (2) (a) 1. c. If the amount estimated to be received under subd. 1. a. is  
18 less than the amount estimated to be received under subd. 1. b., direct the plan  
19 administrator to provide to the department, prior to the beginning of the plan year  
20 and according to procedures specified by the department, the amount of the  
21 difference. The department shall deposit all amounts received under this subd. 1.  
22 c. in the appropriation account under s. 20.435 ~~(5)~~ (4) (gh).

23 **SECTION 86.** 149.144 of the statutes is amended to read:

24 **149.144 Adjustments to insurer assessments and provider payment**  
25 **rates for premium and deductible reductions.** If the moneys under s. 20.435

1     ~~(5)~~ (4) (ah) are insufficient to reimburse the plan for premium reductions under s.  
2     149.165 and deductible reductions under s. 149.14 (5) (a), or the department  
3     determines that the moneys under s. 20.435 ~~(5)~~ (4) (ah) will be insufficient to  
4     reimburse the plan for premium reductions under s. 149.165 and deductible  
5     reductions under s. 149.14 (5) (a), the department shall, by rule, adjust in equal  
6     proportions the amount of the assessment set under s. 149.143 (2) (a) 3. and the  
7     provider payment rate set under s. 149.143 (2) (a) 4., subject to s. 149.143 (1) (b) 1.,  
8     sufficient to reimburse the plan for premium reductions under s. 149.165 and  
9     deductible reductions under s. 149.14 (5) (a). The department shall notify the  
10    commissioner so that the commissioner may levy any increase in insurer  
11    assessments.

12           **SECTION 87.** 149.165 (4) of the statutes is amended to read:

13           149.165 (4) The department shall reimburse the plan for premium reductions  
14    under sub. (2) and deductible reductions under s. 149.14 (5) (a) with moneys from the  
15    appropriation under s. 20.435 ~~(5)~~ (4) (ah).

16           **SECTION 88.** 153.05 (6m) of the statutes is amended to read:

17           153.05 (6m) The department may contract with the group insurance board for  
18    the provision of data collection and analysis services related to health maintenance  
19    organizations and insurance companies that provide health insurance for state  
20    employees. The department shall establish contract fees for the provision of the  
21    services. All moneys collected under this subsection shall be credited to the  
22    appropriation under s. 20.435 ~~(1)~~ (4) (hg).

23           **SECTION 89.** 153.60 (1) of the statutes is amended to read:

24           153.60 (1) The department shall, by the first October 1 after the  
25    commencement of each fiscal year, estimate the total amount of expenditures under



1 this chapter for the department and the board for that fiscal year for data collection,  
2 data base development and maintenance, generation of data files and standard  
3 reports, orientation and training provided under s. 153.05 (9) and maintaining the  
4 board. The department shall assess the estimated total amount for that fiscal year  
5 less the estimated total amount to be received for purposes of administration of this  
6 chapter under s. 20.435 ~~(1)~~ (4) (hi) during the fiscal year, the unencumbered balance  
7 of the amount received for purposes of administration of this chapter under s. 20.435  
8 ~~(1)~~ (4) (hi) from the prior fiscal year and the amount in the appropriation account  
9 under s. 20.435 (1) (dg) for the fiscal year, to health care providers who are in a class  
10 of health care providers from whom the department collects data under this chapter  
11 in a manner specified by the department by rule. The department shall obtain  
12 approval from the board for the amounts of assessments for health care providers  
13 other than hospitals and ambulatory surgery centers. The department shall work  
14 together with the department of regulation and licensing to develop a mechanism for  
15 collecting assessments from health care providers other than hospitals and  
16 ambulatory surgery centers. No health care provider that is not a facility may be  
17 assessed under this subsection an amount that exceeds \$75 per fiscal year. Each  
18 hospital shall pay the assessment on or before December 1. All payments of  
19 assessments shall be deposited in the appropriation under s. 20.435 ~~(1)~~ (4) (hg).

20 **SECTION 90.** 153.60 (3) of the statutes is amended to read:

21 153.60 (3) The department shall, by the first October 1 after the  
22 commencement of each fiscal year, estimate the total amount of expenditures  
23 required for the collection, database development and maintenance and generation  
24 of public data files and standard reports for health care plans that voluntarily agree  
25 to supply health care data under s. 153.05 (6r). The department shall assess the

1 estimated total amount for that fiscal year to health care plans in a manner specified  
2 by the department by rule and may enter into an agreement with the office of the  
3 commissioner of insurance for collection of the assessments. Each health plan that  
4 voluntarily agrees to supply this information shall pay the assessments on or before  
5 December 1. All payments of assessments shall be deposited in the appropriation  
6 under s. 20.435 ~~(1)~~ (4) (hg) and may be used solely for the purposes of s. 153.05 (6r).

7 **SECTION 91.** 153.65 of the statutes is amended to read:

8 **153.65 Provision of special information; user fees.** The department may,  
9 but is not required to, provide, upon request from a person, a data compilation or a  
10 special report based on the information collected by the department. The  
11 department shall establish user fees for the provision of these compilations or  
12 reports, payable by the requester, which shall be sufficient to fund the actual  
13 necessary and direct cost of the compilation or report. All moneys collected under  
14 this section shall be credited to the appropriation under s. 20.435 ~~(1)~~ (4) (hi).

15 **SECTION 92.** 867.035 (4) of the statutes is amended to read:

16 867.035 (4) From the appropriation under s. 20.435 ~~(5)~~ (4) (im), with respect  
17 to funds collected by the department under sub. (1) related to medical assistance paid  
18 on behalf of the decedent or the decedent's spouse, the department of health and  
19 family services shall pay claims under sub. (3), shall pay to the federal government  
20 from the amount recovered under this section and not paid out as claims under sub.  
21 (3) an amount equal to the amount of federal funds used to pay the benefits recovered  
22 under this section and shall spend the remainder of the amount recovered under this  
23 section for medical assistance benefits under subch. IV of ch. 49.

24

(END)

D-NOTE

INSERT 3-11

\*\*\*\* NOTE : This is reconciled s. <sup>✓</sup>20.435(1)(gm).

This section has been affected by drafts with the

following LRB #'s: LRB-0027/4, LRB-0028/6 and

LRB-0329/3.

INSERT 7-13

\*\*\* NOTE: This is reconciled s. 20.435(5)(e)✓

This section has been affected by drafts with the

following LRB #'s: LRB-0028/10 and LRB-0183/1.

D-NOTE

To Aue Jablonsky:

¶ This draft reconciles LRB-0027/4,  
LRB-0030/P4, { LRB-0183/1,  
LRB-0264/2, LRB-0266/1,  
LRB-0321/5, LRB-0333/1, LRB-1057/1,  
LRB-1060/3<sup>and</sup> LRB-1756/1. LRB-0027, LRB-0030,  
LRB-0183, LRB-0264, LRB-0266, LRB-0321,  
LRB-0333, LRB-1057, LRB-1060 and  
LRB-1756 all should continue to appear in  
the compiled bill.

DAK

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**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0028/7dn  
DAK:jlg:lp

February 3, 1999

To Sue Jablonsky:

This draft reconciles LRB-0027/4, LRB-0030/P4, LRB-0183/1, LRB-0264/2, LRB-0266/1, LRB-0321/5, LRB-0333/1, LRB-1057/1, LRB-1060/3 and LRB-1756/1. LRB-0027, LRB-0030, LRB-0183, LRB-0264, LRB-0266, LRB-0321, LRB-0333, LRB-1057, LRB-1060 and LRB-1756 all should continue to appear in the compiled bill.

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