

1999 DRAFTING REQUEST

Bill

Received: **09/22/98**

Received By: **malaigm**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-2288**

By/Representing: **Fossum**

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

Drafter: **malaigm**

May Contact: **Fredi Ellen-Bove**
DHFS
6-2907

Alt. Drafters:

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

Extra Copies:

Topic:

DOA:.....Fossum - Incentive funds for counties

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	malaigm 11/4/98	gilfokm 11/7/98		_____			S&L
/1			jfrantze 11/10/98	_____	lrb_docadmin 11/10/98		S&L
/2	malaigm 12/30/98	gilfokm 12/30/98	jfrantze 01/4/99	_____	lrb_docadmin 01/4/99		S&L
/3	malaigm 01/25/99	gilfokm 01/25/99	martykr 01/26/99	_____	lrb_docadmin 01/26/99		S&L
/4	malaigm 02/2/99	gilfokm 02/2/99	jfrantze 02/3/99	_____	lrb_docadmin 02/3/99		

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Page 2

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/2	malaigm 12/30/98	gilfokm 12/30/98	jfrantze 01/4/99	_____	lrb_docadmin 01/4/99		S&L
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/1		12-12-30 King	jfrantze 11/10/98	_____	lrb_docadmin 11/10/98		

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Drafter: **malaigm**

May Contact: **Fredi Ellen-Bove**
DHFS
6-2907

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Instructions:

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DHFS

Department of Health and Family Services
1999-2001 Biennial Budget Statutory Language Request
September 10, 1998

Incentive Funds for Counties

Current Language

Under s. 46.45 (2), at least 50% of federal foster care (Title IV-E) funds claimed in excess of the budgeted IV-E Community Aids level are distributed to counties other than Milwaukee to be used for services and projects to assist children and families.

Proposed Change

Revise this provision so that at least 50% of federal foster care (Title IV-E) funds and federal Medical Assistance funds claimed on behalf of child welfare targeted case management activities in excess of the combined total of budgeted MA targeted case management ^{new} Community Aids (in appropriation (7)(kz)/764) and budgeted IV-E Community Aids (in appropriation (7)(o)/754) levels are distributed to counties other than Milwaukee to be used for services and projects to assist children and families.

Effect of Change

This change reflects the Department's intent to replace certain types of federal reimbursement claims currently filed under federal foster care (Title IV-E) with claims filed under Medical Assistance benefits. Under the proposed change, counties would continue to receive 50% of federal funds claimed in excess of the combined Title IV-E/MA targeted case management budgeted level. This will continue to give counties an incentive to improve their administrative and claiming processes.

Rationale for the Change

1. Counties use Community Aids funding to fund Child Protective Services (CPS) activities. Child Protective Services are administered by CPS agencies in all counties except Milwaukee, where the Department administers the system. All CPS agencies have staff who perform intake, assessment, case management, service coordination, permanency planning, preparation for court actions including termination of parental rights and other services. Currently, federal Title IV-E funds are claimed for these CPS administrative activities. For most IV-E eligible administrative activities, the state can claim 50% federal reimbursement times the IV-E eligibility ratio.

2. Certain CPS administrative activities can be claimed as an MA targeted case management (TCM) benefit instead of being claimed as administrative IV-E activities. MA TCM provides a higher federal reimbursement amount because the FFP rate is higher, approximately 59%, and the MA eligibility rate is generally somewhat higher than the IV-E eligibility rate.

3. In its 99-01 biennial budget request, the Department is proposing to implement the policy of claiming certain CPS administrative activities as MA TCM benefits rather than IV-E administrative activities. This policy change is expected to result in a net increase of \$5 million in federal funds.

Desired Effective Date: Upon passage
Agency: DHFS
Agency Contact: Fredi-Ellen Bove
Phone: 266-2907



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-02717

GMM.....

King's is

note

5000

DOA:.....Fossum - Incentive funds for counties

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

Don't
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1 AN ACT relating to: the budget.

Analysis by the Legislative Reference Bureau
HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, the state receives federal foster care and adoption assistance funding under Title IV-E of the federal social security act (generally referred to as "~~Title~~ IV-E funds"), in reimbursement of moneys expended by the state and the counties for activities relating to foster care and the adoption of children. Currently, the department of health and family services (DHFS) distributes IV-E funds as community aids to counties for the provision of social services to children and families. Currently, if on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the amount of IV-E funds allocated as community aids in that year (excess IV-E funds), DHFS must carry forward to the next year those excess IV-E funds and distribute not less than 50% of those excess IV-E funds to counties having a population of less than 500,000 for services and projects to assist children and families.

This bill requires DHFS to allocate as community aids any federal medical assistance (MA) funds received as reimbursement of moneys expended by the state and the counties for case management services provided to children who are recipients of MA (MA targeted case management funds). The bill also provides that if on December 31 of any year there remains unspent or unencumbered in the

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community aids basic county allocation an amount that exceeds the combined amount of IV-E funds and MA targeted case management funds allocated as community aids in that year (excess IV-E and MA targeted case management funds), DHFS must carry forward to the next year those excess IV-E and MA targeted case management funds and distribute those excess funds to counties having a population of less than 500,000 for services and projects to assist children and families.

→ ~~4FE-S/L~~

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

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

2 20.435 (5) (o) *Federal aid; medical assistance.* All federal moneys received for
3 meeting costs of medical assistance administered under ss. 49.45 and 49.665. The
4 department shall transfer from this appropriation to the appropriation account sub.
5 (7) (kz) funds in the amount and for the purpose specified in s. 46.40 (1) (bm).

History: 1971 c. 125 ss. 138 to 155, 522 (1); 1971 c. 211, 215, 302, 307, 322; 1973 c. 90, 198, 243; 1973 c. 284 s. 32; 1973 c. 308, 321, 322, 333, 336; 1975 c. 39 ss. 153 to 173, 732 (1), (2); 1975 c. 41 s. 52; 1975 c. 82, 224, 292; 1975 c. 413 s. 18; 1975 c. 422, 423; 1975 c. 430 ss. 1, 2, 80; 1977 c. 29 ss. 236 to 273, 1657 (18); 1977 c. 112; 1977 c. 203 s. 106; 1977 c. 219, 293, 327; 1977 c. 354 s. 101; 1977 c. 359; 1977 c. 418 ss. 129 to 137, 924 (18) (d), 929 (65); 1977 c. 428 s. 115; 1977 c. 447; 1979 c. 32 s. 92 (11); 1979 c. 34, 48; 1979 c. 102 s. 237; 1979 c. 111, 175, 177; 1979 c. 221 ss. 118g to 133, 2202 (20); 1979 c. 238, 300, 331, 361; 1981 c. 20 ss. 301 to 356b, 2202 (20) (b), (d), (g); 1981 c. 93 ss. 3 to 8, 186; 1981 c. 298, 314, 317, 359, 390; 1983 a. 27 ss. 318 to 410, 2202 (20); 1983 a. 192, 199, 245; 1983 a. 333 s. 6; 1983 a. 363, 398, 410, 427; 1983 a. 435 ss. 2, 3, 7; 1983 a. 538; 1985 a. 24, 29, 56, 73, 120, 154, 176, 255, 281, 285, 332; 1987 a. 27, 339, 368, 398, 399, 402; 1987 a. 403 ss. 25, 256; 1987 a. 413; 1989 a. 31, 53; 1989 a. 56 ss. 13, 259; 1989 a. 102; 1989 a. 107 ss. 11, 13, 17 to 37; 1989 a. 120, 122, 173, 199, 202, 318, 336, 359; 1991 a. 6, 39, 189, 269, 275, 290, 315, 322; 1993 a. 16, 27, 76, 98, 99, 168, 183, 377, 437, 445, 446, 450, 469, 479, 490, 491; 1995 a. 27 ss. 806 to 961f, 9126 (19); 1995 a. 77, 98; 1995 a. 216 ss. 26, 27; 1995 a. 266, 276, 289, 303, 404, 417, 440, 448, 464, 468; 1997 a. 27 ss. 211, 214, 216, 217, 527 to 609; 1997 a. 35, 105, 231, 237, 280, 293.

6 SECTION 2. 46.034 (3) of the statutes is amended to read:

7 46.034 (3) With the agreement of the affected county board of supervisors in
8 a county with a single-county department or boards of supervisors in counties with
9 a multicounty department, effective for the contract period beginning January 1,
10 1980, the department may approve a county with a single-county department or
11 counties participating in a multicounty department to administer a single
12 consolidated aid consisting of the state and federal financial aid available to that
13 county or those counties from appropriations under s. 20.435 (3) (o) and (7) (b), (kw),
14 (kz) and (o) for services provided and purchased by county departments under ss.
15 46.215, 46.22, 46.23, 51.42 and 51.437. Under such an agreement, in the interest of
16 improved service coordination and effectiveness, the county board of supervisors in

1 a county with a single-county department or county boards of supervisors in
2 counties with a multicounty department may reallocate among county departments
3 under ss. 46.215, 46.22, 46.23, 51.42 and 51.437 funds that otherwise would be
4 specified for use by a single county department. The budget under s. 46.031 (1) shall
5 be the vehicle for expressing the proposed use of the single consolidated fund by the
6 county board of supervisors in a county with a single-county department or county
7 boards of supervisors in counties with a multicounty department. Approval by the
8 department of this use of the fund shall be in the contract under s. 46.031 (2g).
9 Counties that were selected by the department to pilot test consolidated aids for
10 contract periods beginning January 1, 1978, may continue or terminate
11 consolidation with the agreement of the affected county board of supervisors in a
12 county with a single-county department or county boards of supervisors in counties
13 with a multicounty department.

History: 1975 c. 39; 1977 c. 29, 418; 1979 c. 34; 1981 c. 20, 390; 1983 a. 27 s. 2202 (20); 1985 a. 120, 176, 332; 1987 a. 27 s. 724e; Stats. 1987 s. 46.034; 1989 a. 31; 1993 a. 27; 1997 a. 27.

14 **SECTION 3.** 46.215 (2) (c) 1. of the statutes is amended to read:

15 46.215 (2) (c) 1. A county department of social services shall develop, under the
16 requirements of s. 46.036, plans and contracts for care and services to be purchased,
17 except for care and services under subch. III of ch. 49 or s. 301.08 (2). The department
18 of health and family services may review the contracts and approve them if they are
19 consistent with s. 46.036 and if state or federal funds are available for such purposes.
20 The joint committee on finance may require the department of health and family
21 services to submit the contracts to the committee for review and approval. The
22 department of health and family services may not make any payments to a county
23 for programs included in a contract under review by the committee. The department
24 of health and family services shall reimburse each county for the contracts from the

Plain Space

1

appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), as appropriate,

2

under s. 46.495.

History: 1971 c. 218; 1973 c. 90, 147, 333, 336; 1975 c. 39, 307, 421; 1977 c. 29, 271, 418; 1979 c. 34; 1981 c. 20 ss. 867m to 870, 2202 (20) (j); 1981 c. 81, 329; 1983 a. 27 ss. 1080, 2202 (20); 1983 a. 190 s. 7; 1983 a. 193; 1985 a. 29, 120; 1985 a. 176 ss. 322 to 332; Stats. 1985 s. 46.215; 1987 a. 27; 1987 a. 403 s. 256; 1989 a. 31, 107, 336, 359; 1991 a. 39, 274; 1993 a. 16; 1995 a. 27 ss. 2063 to 2076, 9126 (19), 9130 (4); 1995 a. 64, 77, 201, 225, 289, 352, 404, 417; 1997 a. 3, 27, 35, 252.

3

SECTION 4. 46.22 (1) (e) 3. a. of the statutes is amended to read:

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46.22 (1) (e) 3. a. A county department of social services shall develop, under

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the requirements of s. 46.036, plans and contracts for care and services, except under

6

subch. III of ch. 49 and s. 301.08 (2), to be purchased. The department of health and

7

family services may review the contracts and approve them if they are consistent

8

with s. 46.036 and to the extent that state or federal funds are available for such

9

purposes. The joint committee on finance may require the department of health and

10

family services to submit the contracts to the committee for review and approval.

11

The department of health and family services may not make any payments to a

12

county for programs included in the contract that is under review by the committee.

13

The department of health and family services shall reimburse each county for the

14

contracts from the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and

15

(o) according to s. 46.495.

plain space

History: 1971 c. 164, 218; 1973 c. 90 ss. 226, 560 (3); 1973 c. 147, 333; 1975 c. 39; 1975 c. 189 s. 99 (1), (2); 1975 c. 224 ss. 52p, 146m; 1975 c. 307, 422; 1975 c. 430 s. 78; 1977 c. 29 ss. 560, 1656 (18); 1977 c. 83 s. 26; 1977 c. 418, 449; 1979 c. 34, 221; 1981 c. 20 ss. 759 to 763m, 2202 (20) (j); 1981 c. 329; 1981 c. 390 s. 252; 1983 a. 27 s. 2202 (20); 1983 a. 190 s. 7; 1983 a. 192, 193, 447; 1985 a. 29, 120; 1985 a. 176 ss. 28, 30, 59 to 105; 1985 a. 332; 1987 a. 5, 27; 1989 a. 31, 107, 336, 359; 1991 a. 39, 274; 1993 a. 16; 1995 a. 27 ss. 2077 to 2111, 9126 (19), 9130 (4); 1995 a. 64, 77, 201, 289, 352, 404, 417; 1997 a. 3, 27, 35, 252.

16

SECTION 5. 46.40 (1) (a) of the statutes is amended to read:

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46.40 (1) (a) Within the limits of available federal funds and of the

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appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), the department

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shall distribute funds for community social, mental health, developmental

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disabilities and alcohol and other drug abuse services and for services under ss.

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46.51, 46.87, 46.985 and 51.421 to county departments under ss. 46.215, 46.22, 46.23,

1 51.42 and 51.437 and to county aging units, as provided in subs. (2), (2m) and (7) to
2 (8).

History: 1987 a. 27, 399, 405; 1989 a. 31, 122, 336; 1991 a. 6, 39, 189, 269, 275, 315; 1993 a. 16, 437, 446; 1995 a. 27, 275, 303, 404; 1997 a. 27, 35, 237, 292.

3 **SECTION 6.** 46.40 (1) (bm) of the statutes is created to read

4 46.40 (1) (bm) If the department receives any federal moneys under 42 USC
5 1396 to 1397e in reimbursement of moneys allocated under par. (a) for the provision
6 of case management services for a child who is a recipient of medical assistance, the
7 department shall transfer those federal moneys from the appropriation under s.
8 20.435 (5) (o) to the appropriation account under s. 20.435 (7) (kz) and allocate those
9 federal moneys under sub. (2).

10 **SECTION 7.** 46.45 (2) (a) of the statutes is amended to read:

11 46.45 (2) (a) If on December 31 of any year there remains unspent or
12 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
13 combined amount received under 42 USC 670 to 679a and 42 USC 1396 to 1397e and
14 allocated under s. 46.40 (2) in that year, the department shall carry forward the
15 excess moneys and distribute not less than 50% of the excess moneys to counties
16 having a population of less than 500,000 for services and projects to assist children
17 and families, notwithstanding the percentage limit specified in sub. (3) (a). A county
18 shall use not less than 50% of the moneys distributed to the county under this
19 subsection for services for children who are at risk of abuse or neglect to prevent the
20 need for child abuse and neglect intervention services.

History: 1987 a. 27, 399, 405; 1989 a. 31, 122, 336; 1991 a. 39, 269; 1993 a. 16; 1995 a. 27, 404; 1997 a. 27.

21 **SECTION 8.** 46.495 (1) (am) of the statutes is amended to read:

22 46.495 (1) (am) The department shall reimburse each county from the
23 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o) for social services
24 as approved by the department under ss. 46.215 (1), (2) (c) 1. and (3) and 46.22 (1)

1 (b) 1. d. and (e) 3. a. except that no reimbursement may be made for the
2 administration of or aid granted under s. 49.02.

3 **History:** 1995 a. 27 ss. 3129, 3132, 3135 to 3139; 1995 a. 289, 404; 1997 a. 3, 27, 252.

3 **SECTION 9.** 46.495 (1) (d) of the statutes is amended to read:

4 46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b), (kw),
5 (kz) and (o), the department shall distribute the funding for social services, including
6 funding for foster care or treatment foster care of a child on whose behalf aid is
7 received under s. 46.261, to county departments under ss. 46.215, 46.22 and 46.23
8 as provided under s. 46.40. County matching funds are required for the distributions
9 under s. 46.40 (2) and (8). Each county's required match for a year equals 9.89% of
10 the total of the county's distributions for that year for which matching funds are
11 required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats., to
12 spend for juvenile delinquency-related services from its distribution for 1987.
13 Matching funds may be from county tax levies, federal and state revenue sharing
14 funds or private donations to the county that meet the requirements specified in s.
15 51.423 (5). Private donations may not exceed 25% of the total county match. If the
16 county match is less than the amount required to generate the full amount of state
17 and federal funds distributed for this period, the decrease in the amount of state and
18 federal funds equals the difference between the required and the actual amount of
19 county matching funds.

20 **History:** 1995 a. 27 ss. 3129, 3132, 3135 to 3139; 1995 a. 289, 404; 1997 a. 3, 27, 252.

20 **SECTION 10.** 46.985 (7) (a) of the statutes is amended to read:

21 46.985 (7) (a) From the appropriations under s. 20.435 (7) (b), (kw), (kz) and
22 (o), the department shall allocate to county departments funds for the
23 administration and implementation of the program.

24 **History:** 1985 a. 29, 120, 176; 1985 a. 182 s. 57; 1987 a. 27, 186; 1989 a. 31; 1993 a. 27, 446; 1995 a. 27; 1997 a. 27.

24 **SECTION 11.** 51.423 (1) of the statutes is amended to read:

1 51.423 (1) The department shall fund, within the limits of the department's
2 allocation for mental health services under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
3 (o) and subject to this section, services for mental illness, developmental disability,
4 alcoholism and drug abuse to meet standards of service quality and accessibility. The
5 department's primary responsibility is to guarantee that county departments
6 established under either s. 51.42 or 51.437 receive a reasonably uniform minimum
7 level of funding and its secondary responsibility is to fund programs which meet
8 exceptional community needs or provide specialized or innovative services. Moneys
9 appropriated under s. 20.435 (7) (b) and earmarked by the department for mental
10 health services under s. 20.435 (7) (o) shall be allocated by the department to county
11 departments under s. 51.42 or 51.437 in the manner set forth in this section.

12 **History:** 1985 a. 176 ss. 452 to 454, 456 to 461, 463, 466; 1987 a. 27, 186; 1989 a. 31, 56, 122; 1991 a. 39, 269; 1993 a. 16, 445; 1995 a. 27; 1997 a. 27.

12 **SECTION 12.** 51.423 (2) of the statutes is amended to read:

13 51.423 (2) From the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz)
14 and (o), the department shall distribute the funding for services provided or
15 purchased by county departments under s. 46.23, 51.42 or 51.437 to such county
16 departments as provided under s. 46.40. County matching funds are required for the
17 distributions under s. 46.40 (2). Each county's required match for a year equals
18 9.89% of the total of the county's distributions for that year for which matching funds
19 are required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats.,
20 to spend for juvenile delinquency-related services from its distribution for 1987.
21 Matching funds may be from county tax levies, federal and state revenue sharing
22 funds or private donations to the counties that meet the requirements specified in
23 sub. (5). Private donations may not exceed 25% of the total county match. If the
24 county match is less than the amount required to generate the full amount of state

1 and federal funds distributed for this period, the decrease in the amount of state and
2 federal funds equals the difference between the required and the actual amount of
3 county matching funds.

History: 1985 a. 176 ss. 452 to 454, 456 to 461, 463, 466; 1987 a. 27, 186; 1989 a. 31, 56, 122; 1991 a. 39, 269; 1993 a. 16, 445; 1995 a. 27; 1997 a. 27.

4 (END)

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

LRB-0271/1¹dn

GMM...../.....

King & US
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Date line

The drafting instructions submitted by DHFS indicated that the federal medical assistance funds that are claimed for child welfare targeted case management activities are deposited in the appropriation account under s. 20.435 (7) (kz). Accordingly, this draft directs DHFS to transfer those funds from the federal medical assistance appropriation under s. 20.435 (5) (o) to the appropriation account under s. 20.435 (7) (kz) and includes a reference to s. 20.435 (7) (kz) in numerous string cites referencing community aids. Please review this draft carefully to ensure that the transfer of those funds from s. 20.435 (5) (o) to s. 20.435 (7) (kz) and that the inclusion of a reference to s. 20.435 (7) (kz) when referencing community aids moneys conform to DHFS' actual bookkeeping practices. Also, I note that there is an interagency and intra-agency transfer appropriation that is dedicated to community aids, specifically, s. 20.435 (7) (kw). Would DHFS rather transfer the federal MA targeted case management funds into that appropriation?

Gordon M. Malaise
Senior Legislative Attorney
266-9738

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

LRB-0271/1dn
GMM:kmg&ijs:jf

November 9, 1998

The drafting instructions submitted by DHFS indicated that the federal medical assistance funds that are claimed for child welfare targeted case management activities are deposited in the appropriation account under s. 20.435 (7) (kz). Accordingly, this draft directs DHFS to transfer those funds from the federal medical assistance appropriation under s. 20.435 (5) (o) to the appropriation account under s. 20.435 (7) (kz) and includes a reference to s. 20.435 (7) (kz) in numerous string cites referencing community aids. Please review this draft carefully to ensure that the transfer of those funds from s. 20.435 (5) (o) to s. 20.435 (7) (kz) and that the inclusion of a reference to s. 20.435 (7) (kz) when referencing community aids moneys conform to DHFS' actual bookkeeping practices. Also, I note that there is an interagency and intra-agency transfer appropriation that is dedicated to community aids, specifically, s. 20.435 (7) (kw). Would DHFS rather transfer the federal MA targeted case management funds into that appropriation?

Gordon M. Malaise
Senior Legislative Attorney
266-9738

CORRESPONDENCE MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

Date: December 30, 1998

To: Gordon M. Malaise, Senior Legislative Attorney
Legislative Reference Bureau

From: Gretchen A. Fossum, Budget Analyst *GAF*
State Budget Office

Subject: LRB Draft 0271/1

Listed below are the Department of Health and Family Services' changes and comments regarding LRB draft 0271/1

1. Response to Drafter's Note: The Department considered, but does not want to use appropriation s. 20.435(7)(kw) for the MA targeted case management funds. Appropriation (7)(kw) is used for funding received from DWD, which is federal TANF funding that has been converted to SSBG funding. The Department views that it is appropriate to maintain this as a separate appropriation because: (a) it involves a different source of funding than MA targeted case management; (b) it involves funding from an outside agency rather than an internal source; and (c) should remain easily identifiable to legislators and other decision-makers because they have had a strong interest in the TANF-converted funding. Therefore, we support the approach in the draft to use appropriation (7)(kz) for the MA targeted case management for Community Aids.

✓ Page 2, Section 1, lines 3-5: Delete "The department shall transfer from this appropriation to the appropriation account sub. (7)(kz) funds in the amount and for the purpose specified in s.46.40(1)(bm)."

✓ 2. Page 4-5, Section 6: Delete entire section.

Explanation: According to DHFS financial staff, funding will not be "transferred" from the MA budget appropriation to the new PRS targeted case management appropriation. Rather, the MA federal funding for MA targeted case management will be budgeted in (5)(o). Budget authority will be budgeted in (7)(kz). Based on expenditure and other data (e.g., case data, and the random moment time study data) the Department's MA fiscal agent, EDS, will file the claim for the federal funding for MA targeted case management. Once it is received EDS will issue a check to DHFS. DHFS will deposit the check in the PRS appropriation (7)(kz). Therefore, there is no accounting transaction that technically "transfers" funds and these sections should be deleted.

If you have any questions, please contact me at 266-2288.

Soon

DOA:.....Fossum – Incentive funds for counties

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT <sup>Don't
even
vet.</sup> relating to: the budget.

Analysis by the Legislative Reference Bureau
HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, the state receives federal foster care and adoption assistance funding under Title IV-E of the federal Social Security Act (generally referred to as "IV-E funds"), in reimbursement of moneys expended by the state and the counties for activities relating to foster care and the adoption of children. Currently, the department of health and family services (DHFS) distributes IV-E funds as community aids to counties for the provision of social services to children and families. Currently, if on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the amount of IV-E funds allocated as community aids in that year (excess IV-E funds), DHFS must carry forward to the next year those excess IV-E funds and distribute not less than 50% of those excess IV-E funds to counties having a population of less than 500,000 for services and projects to assist children and families.

This bill requires DHFS to allocate as community aids any federal medical assistance (MA) funds received as reimbursement of moneys expended by the state and the counties for case management services provided to children who are recipients of MA (MA targeted case management funds). The bill also provides that, if on December 31 of any year there remains unspent or unencumbered in the

community aids basic county allocation an amount that exceeds the combined amount of IV-E funds and MA targeted case management funds allocated as community aids in that year (excess IV-E and MA targeted case management funds), DHFS must carry forward to the next year those excess IV-E and MA targeted case management funds and distribute those excess funds to counties having a population of less than 500,000 for services and projects to assist children and families.

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

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

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

2 20.435 (5) (o) ~~*Federal aid; medical assistance.*~~ All federal moneys received for
3 meeting costs of medical assistance administered under ss. 49.45 and 49.665. ~~The~~
4 ~~department shall transfer from this appropriation to the appropriation account sub.~~
5 ~~(7) (kz) funds in the amount and for the purpose specified in s. 46.40 (1) (bm).~~ ✓

6 **SECTION 2.** 46.034 (3) of the statutes is amended to read:

7 46.034 (3) With the agreement of the affected county board of supervisors in
8 a county with a single-county department or boards of supervisors in counties with
9 a multicounty department, effective for the contract period beginning January 1,
10 1980, the department may approve a county with a single-county department or
11 counties participating in a multicounty department to administer a single
12 consolidated aid consisting of the state and federal financial aid available to that
13 county or those counties from appropriations under s. 20.435 (3) (o) and (7) (b), (kw),
14 ~~(kz)~~ ✓ and (o) for services provided and purchased by county departments under ss.
15 46.215, 46.22, 46.23, 51.42 and 51.437. Under such an agreement, in the interest of
16 improved service coordination and effectiveness, the county board of supervisors in
17 a county with a single-county department or county boards of supervisors in
18 counties with a multicounty department may reallocate among county departments

1 under ss. 46.215, 46.22, 46.23, 51.42 and 51.437 funds that otherwise would be
2 specified for use by a single county department. The budget under s. 46.031 (1) shall
3 be the vehicle for expressing the proposed use of the single consolidated fund by the
4 county board of supervisors in a county with a single-county department or county
5 boards of supervisors in counties with a multicounty department. Approval by the
6 department of this use of the fund shall be in the contract under s. 46.031 (2g).
7 Counties that were selected by the department to pilot test consolidated aids for
8 contract periods beginning January 1, 1978, may continue or terminate
9 consolidation with the agreement of the affected county board of supervisors in a
10 county with a single-county department or county boards of supervisors in counties
11 with a multicounty department.

12 **SECTION 3.** 46.215 (2) (c) 1. of the statutes is amended to read:

13 46.215 (2) (c) 1. A county department of social services shall develop, under the
14 requirements of s. 46.036, plans and contracts for care and services to be purchased,
15 except for care and services under subch. III of ch. 49 or s. 301.08 (2). The department
16 of health and family services may review the contracts and approve them if they are
17 consistent with s. 46.036 and if state or federal funds are available for such purposes.
18 The joint committee on finance may require the department of health and family
19 services to submit the contracts to the committee for review and approval. The
20 department of health and family services may not make any payments to a county
21 for programs included in a contract under review by the committee. The department
22 of health and family services shall reimburse each county for the contracts from the
23 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), as appropriate,
24 under s. 46.495.

25 **SECTION 4.** 46.22 (1) (e) 3. a. of the statutes is amended to read:

1 46.22 (1) (e) 3. a. A county department of social services shall develop, under
2 the requirements of s. 46.036, plans and contracts for care and services, except under
3 subch. III of ch. 49 and s. 301.08 (2), to be purchased. The department of health and
4 family services may review the contracts and approve them if they are consistent
5 with s. 46.036 and to the extent that state or federal funds are available for such
6 purposes. The joint committee on finance may require the department of health and
7 family services to submit the contracts to the committee for review and approval.
8 The department of health and family services may not make any payments to a
9 county for programs included in the contract that is under review by the committee.
10 The department of health and family services shall reimburse each county for the
11 contracts from the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
12 (o) according to s. 46.495.

13 **SECTION 5.** 46.40 (1) (a) of the statutes is amended to read:

14 46.40 (1) (a) Within the limits of available federal funds and of the
15 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), the department
16 shall distribute funds for community social, mental health, developmental
17 disabilities and alcohol and other drug abuse services and for services under ss.
18 46.51, 46.87, 46.985 and 51.421 to county departments under ss. 46.215, 46.22, 46.23,
19 51.42 and 51.437 and to county aging units, as provided in subs. (2), (2m) and (7) to
20 (8).

21 **SECTION 6.** 46.40 (1) (bm) of the statutes is created to read

22 46.40 (1) (bm) If the department receives any federal moneys under 42 USC
23 1396 to 1397e in reimbursement of moneys allocated under par. (a) for the provision
24 of case management services for a child who is a recipient of medical assistance, the
25 department shall ~~transfer those federal moneys from the appropriation under s.~~

①

~~20.435 (5) (o) to the appropriation account under s. 20.435 (7) (kz) and allocate those~~
2 federal moneys under sub. (2).

3 **SECTION 7.** 46.45 (2) (a) of the statutes is amended to read:

4 46.45 (2) (a) If on December 31 of any year there remains unspent or
5 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
6 combined amount received under 42 USC 670 to 679a and 42 USC 1396 to 1397e and
7 allocated under s. 46.40 (2) in that year, the department shall carry forward the
8 excess moneys and distribute not less than 50% of the excess moneys to counties
9 having a population of less than 500,000 for services and projects to assist children
10 and families, notwithstanding the percentage limit specified in sub. (3) (a). A county
11 shall use not less than 50% of the moneys distributed to the county under this
12 subsection for services for children who are at risk of abuse or neglect to prevent the
13 need for child abuse and neglect intervention services.

14 **SECTION 8.** 46.495 (1) (am) of the statutes is amended to read:

15 46.495 (1) (am) The department shall reimburse each county from the
16 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o) for social services
17 as approved by the department under ss. 46.215 (1), (2) (c) 1. and (3) and 46.22 (1)
18 (b) 1. d. and (e) 3. a. except that no reimbursement may be made for the
19 administration of or aid granted under s. 49.02.

20 **SECTION 9.** 46.495 (1) (d) of the statutes is amended to read:

21 46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b), (kw),
22 (kz) and (o), the department shall distribute the funding for social services, including
23 funding for foster care or treatment foster care of a child on whose behalf aid is
24 received under s. 46.261, to county departments under ss. 46.215, 46.22 and 46.23
25 as provided under s. 46.40. County matching funds are required for the distributions

1 under s. 46.40 (2) and (8). Each county's required match for a year equals 9.89% of
2 the total of the county's distributions for that year for which matching funds are
3 required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats., to
4 spend for juvenile delinquency-related services from its distribution for 1987.
5 Matching funds may be from county tax levies, federal and state revenue sharing
6 funds or private donations to the county that meet the requirements specified in s.
7 51.423 (5). Private donations may not exceed 25% of the total county match. If the
8 county match is less than the amount required to generate the full amount of state
9 and federal funds distributed for this period, the decrease in the amount of state and
10 federal funds equals the difference between the required and the actual amount of
11 county matching funds.

12 **SECTION 10.** 46.985 (7) (a) of the statutes is amended to read:

13 46.985 (7) (a) From the appropriations under s. 20.435 (7) (b), (kw), (kz) and
14 (o), the department shall allocate to county departments funds for the
15 administration and implementation of the program.

16 **SECTION 11.** 51.423 (1) of the statutes is amended to read:

17 51.423 (1) The department shall fund, within the limits of the department's
18 allocation for mental health services under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
19 (o) and subject to this section, services for mental illness, developmental disability,
20 alcoholism and drug abuse to meet standards of service quality and accessibility. The
21 department's primary responsibility is to guarantee that county departments
22 established under either s. 51.42 or 51.437 receive a reasonably uniform minimum
23 level of funding and its secondary responsibility is to fund programs which meet
24 exceptional community needs or provide specialized or innovative services. Moneys
25 appropriated under s. 20.435 (7) (b) and earmarked by the department for mental

1 health services under s. 20.435 (7) (o) shall be allocated by the department to county
2 departments under s. 51.42 or 51.437 in the manner set forth in this section.

3 **SECTION 12.** 51.423 (2) of the statutes is amended to read:

4 51.423 (2) From the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz)
5 and (o), the department shall distribute the funding for services provided or
6 purchased by county departments under s. 46.23, 51.42 or 51.437 to such county
7 departments as provided under s. 46.40. County matching funds are required for the
8 distributions under s. 46.40 (2). Each county's required match for a year equals
9 9.89% of the total of the county's distributions for that year for which matching funds
10 are required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats.,
11 to spend for juvenile delinquency-related services from its distribution for 1987.
12 Matching funds may be from county tax levies, federal and state revenue sharing
13 funds or private donations to the counties that meet the requirements specified in
14 sub. (5). Private donations may not exceed 25% of the total county match. If the
15 county match is less than the amount required to generate the full amount of state
16 and federal funds distributed for this period, the decrease in the amount of state and
17 federal funds equals the difference between the required and the actual amount of
18 county matching funds.

19 (END)



What You Should Consider While Deciding When to Retire

There are many factors to consider when deciding what retirement date would be to your advantage. While your WRS retirement benefit will generally be higher the longer you continue to work, once you have decided to retire you may want to choose a retirement date that will help to maximize your benefit amount.

Money Purchase Retirement Benefits

Money purchase benefits are calculated by multiplying the employe and employer dollars in your account (the money purchase balance from your Statement of Benefits) times a money purchase factor based on your age. The money purchase factor is based on the assumption that these funds will earn 5% in the future. Based on your life expectancy when your benefit begins, this is the monthly life benefit that the money in your account will purchase.

If your retirement benefit will be higher under the money purchase calculation, your benefit will gradually increase the longer you continue to work. If you began WRS employment before 1982, so that your WRS account receives the full effective rate interest crediting, and investment earnings are positive, one way to maximize your money purchase benefit is to wait to retire until after the end of a calendar year. Your benefit would then be based on a higher money purchase balance because it would receive interest for the prior year.

Formula Retirement Benefits

Formula benefits are calculated by multiplying four components: 1) Your final average monthly earnings (FAE), based on your three highest years of earnings; 2) A formula factor based on your employment category; 3) Your years of creditable WRS service,

including any years of military service credit; and 4) If applicable, an age reduction factor if you retire before your normal retirement age.

If your benefit will be higher under the formula calculation, there are a number of factors that could affect your decision on when to retire:

Final Average Earnings (FAE): If your last year of earnings would be one of your three high years, it will be to your advantage to work through your final year to maximize the FAE used to calculate your formula benefit. If you are a teacher, judge, or a non-teaching employe of a school district, CESA or Wisconsin Technical College Systems, your FAE is based on your fiscal year earnings (July 1 - June 30). For all other employment categories, your FAE is based on your calendar year earnings (January 1 - December 31).

Age Reduction Factor: General category employes and teachers can receive a formula retirement benefit with no actuarial reduction at age 65, or at age 57 if you have 30 years of WRS creditable service. However, there is no benefit "cliff" at 30 years of service; even if you have less than 30 years, the more years of service you have the less your age reduction will be. Example: A teacher age 58 with 15 years of service would have a 16.8% reduction, but the age reduction would only be 5.6% for a teacher the same age with 25 years of service.

Elected officials and executive retirement category employes can receive an unreduced benefit at age 62, or at age 57 with 30 years of service; the more years of service the lower the age reduction before age 62. Protective category employes with at least 25 years of service receive an unreduced

retirement benefit at age 53; those with less than 25 years can retire at age 54 with no reduction.

Maximum Benefit: There is a maximum formula benefit limit of 65% of a member's final average earnings (85% for protective category employes who are not covered under Social Security). Members in the general or teacher category will not reach the 65% maximum benefit unless they have at least 40.63 years of service. Elected officials, executive retirement category employes and protective category employes covered under Social Security need 32.50 years of service to reach the 65% limit, and protectives without Social Security need 34.00 years to reach the 85% limit. If you participate in the variable program, the variable adjustment is applied to your annuity after the maximum benefit limit is applied; therefore, your final annuity amount could be higher than the maximum limit once the variable adjustment is applied.

The maximum benefit limit does not apply to money purchase benefits. Therefore, even if your formula benefit must be reduced because of the 65% or 85% limit, if your money purchase annuity is higher than your reduced formula annuity, you would receive the higher money purchase benefit.

Life Insurance

If you have life insurance coverage through the Wisconsin Public Employers Group Life Insurance Program, the amount of your coverage after retirement is based on your WRS earnings. The amount of coverage is based on your calendar year earnings, regardless of whether your formula retirement benefit is calculated based

Retire continued on page 2

on calendar or fiscal years. Your termination date must be after the end of a calendar year for your earnings for the year just ended to be used to determine the amount of your life insurance coverage. Therefore, if your last calendar year of earnings will be your highest year, and you wish to maximize your life insurance benefits, your termination date would have to be in January or later to maximize the amount of your post-retirement life insurance coverage.

Please remember that if you are eligible to continue life insurance after retirement, you must pay premiums until age 65. At age 65 no further premiums are required.

Educational Seminars on Long-Term Care Insurance Offered To State of Wisconsin Employees, Retirees, Their Spouses and Parents

HealthChoice of Madison markets and services the long-term care insurance plan which is underwritten by Fortis Benefits of Milwaukee (formerly Time Insurance). Having complied with the administrative rules promulgated by the Group Insurance Board, the plan is available to State of Wisconsin employees, annuitants, their spouses and parents.

Because there have been recent changes in the tax laws related to long-term care insurance and enhanced fea-

tures in the State's Long-Term Care Insurance plan, HealthChoice is offering educational seminars to all state groups and related associations. HealthChoice representatives are available throughout the state to meet with small or large groups. Individual consultations are also available. To arrange a time, please call Pam Wills, Director of HealthChoice, toll-free at 1-800-833-5823 or in Madison at 833-5823.

Members of the WRS Have Disability Benefits - What You Should Do if You Become Disabled

If you become disabled while you are still employed by a WRS employer, you may qualify for disability benefits.

If your disability is likely to be permanent and total*, you should contact the Department as soon as possible for a disability benefit application packet. If the Department does not receive your application within 90 days after your last day paid, your benefit will not begin on the earliest possible benefit begin date, and you will lose benefits. When you request disability benefit information you will receive a disability packet that includes complete instructions for applying for benefits.

Disability benefits are available to you as a participating employee, regardless of your age when you become disabled. To qualify you must meet several basic requirements; your employer must certify that you terminated employment due to your disability, two physicians must certify that your disability is permanent and total, and you must meet a WRS-service requirement. However, the service requirement is waived if your disability is work-related. We must receive your disability application within two years after your last day paid. The service requirement and benefit amount will

be different depending on the disability program for which you apply:

- If you began covered WRS employment on or after October 16, 1992, you are covered under the Long-Term Disability Insurance (LTDI) program. To qualify you must have earned at least .33 years of service in at least five of the last seven years. The LTDI benefit amount is 40% of your final average monthly earnings (50% if your WRS employment is not covered under Social Security).

- If you have been continuously employed under the WRS since before October 16, 1992, you can apply for LTDI benefits or, if you have not yet reached your WRS normal retirement age and have at least .50 year of creditable service in five of the last seven years, you may be eligible for WRS disability benefits. The WRS disability benefit is a formula benefit calculated as though you continued to work until your normal retirement age.

If you are employed in a protective employment category position and become permanently disabled to the extent that you can no longer perform the duties of your protective category position, you may be eligible for certain special disability benefits even if your

disability is not a total disability.

A Disability Benefits booklet (ET-5102) is available that provides detailed information about these benefits. The booklet and detailed disability benefit information is also available on the Department's Internet site at <http://badger.state.wi/agencies/etf>.

Your employer may also offer temporary or other long-term disability benefits. You should contact your employer regarding any other disability-related programs you may be covered under. For instance, some WRS members have coverage under the Income Continuation Insurance (ICI) program administered by ETF. If you have ICI coverage, contact your employer for information about applying for benefits.

* A disability is considered to be total when the participant cannot perform any substantial gainful activity due to a medically determinable physical or medical impairment. "Substantial gainful activity" is defined as any work for compensation that exceeds \$8,574 per year in 1999. This amount is increased annually based on the national average salary index.

Have Your Benefit Questions Answered and Calculate Your Benefits by Visiting Our Internet Site at <http://badger.state.wi.us/agencies/etf>

Our Internet site contains important information regarding the benefits available to WRS members. The site contains detailed information about all of the benefit programs, various brochures and forms, and a calculator that you can use to project your formula retirement benefits as a portion of your future retirement income. You can access our site at your convenience, seven days a week, twenty-four hours a day. You can also e-mail us through the "Contact Us" area of the site.

Recent enhancements to our site include:

- * A variable excess/deficiency field was added to the formula benefit calculator to allow members in the variable program to determine how participation in the variable fund will increase (or decrease) their formula retirement benefits.

- * On-line forms were converted to PDF (Portable Document Format). This will allow members to download and print forms so that they look exactly like the originals.

- * ETF program fact sheets were added for Deferred Compensation, Employee Reimbursement Accounts, Group Health Insurance, Income Continuation Insurance, Group Life Insurance and the Wisconsin Retirement System. These fact sheets can be found by accessing "About Us."

- * A Year 2000 (Y2K) update in "What's New." We will keep you informed of the most recent Y2K efforts by the Department.

Currently, the site has thousands of visitors a month. We are pleased to be able to provide information to our members and interested parties using this cost-efficient technology.

The January 1, 1999 Statement of Benefits Will be Distributed Beginning in April

You will receive your next annual Statement of Benefits by May 1999. This statement includes your account balances such as 1998 earnings and service (if you were actively employed by a WRS employer in 1998), your years of creditable service, employee required contributions and any additional contributions. Also, your statement provides retirement account information such as amounts for separation benefits (if eligible), death benefits, formula benefit data and your money purchase balance. This is the second year that the retirement benefit projections will be part of your statement.

Compare your annual statements from the previous year(s) to see how your retirement account and benefits have increased. You should keep your

annual statement(s) with your important personal records. (Note: Having your statement makes it easy to use our calculator on our website.)

You may wonder why it takes four months to prepare and send statements. The process of reconciling employer reports is very time consuming. In January 1999 employers submit their annual detailed reports of employee hours and earnings to ETF. ETF must then edit and reconcile approximately 244,000 active participant accounts to ensure that all information was reported correctly. Once this is complete and 1998 interest is added to each account then Statements are produced and mailed.

Distribution of the statements will begin in late April 1999 and continue through May 1999.

Waiting for the 1998 Effective Interest Rates and Annuitant Dividends? - Call toll-free or use the Internet

Each year the Department receives many calls about the fixed and variable effective interest rates and annuitant dividend rates. The non-annuitant effective interest rates are normally available by the end of January, and the annuitant dividend rates (changes to annuities effective on the May 1st check) by late February.

The best way to get these rates is to call our toll-free number for the Telephone Message Center at 1-800-991-5540 (264-6633 for local Madison callers). These messages are updated as soon as the rates become available. Once you are in the Telephone Message Center, the message number for the fixed and variable effective rates is 10120, and 10740 for the annuitant dividend rates.

You can also check for the new rates on the Department's Internet site at <http://badger.state.wi.us/agencies/etf>. The rates can be found by going to "What's New", then click on "Press Releases"; these are also updated as soon as the new rates are available. A chart showing the last ten years or rates is found under "Benefit Programs" then click on "Wisconsin Retirement System Benefits" and finally "Wisconsin Retirement System Fixed Fund and Variable Fund Percentages."

Note: Remember, the 1998 investment earnings reported by the State of Wisconsin Investment Board in early January will be different from the effective rates or the annuitant dividend amounts (see the May 1998 edition of the Trust Fund News).

Three Teachers Seek Two Seats on the Teachers Retirement Board

Three teachers filed nomination papers by the deadline and will be candidates on the election ballot for two seats on the Teachers Retirement Board (TRB). Elementary and secondary school teachers outside of Milwaukee will vote in February and March.

Teachers will receive ballots through their employers in February. They will have until March 5 to submit their marked ballots to the Department of Employee Trust Funds (ETF) and may vote for one or two candidates. To be nominated the candidates collected at least 25 signatures from active Wisconsin Retirement System elementary and secondary teachers and submitted the papers by the November 30, 1998 deadline. The candidates are:

Thayer C. Davis III: Davis is a technology education instructor in the Tomahawk School District. He has 27 years of teaching experience.

Wayne D. McCaffery: McCaffery has been an economics teacher in Stevens

Point for 20 years.

Gerald E. Pahl: Pahl is presently teaching biology and botany in the Sheboygan School District and he has 28 years of teaching experience.

More information about the candidates will be provided in the election process. Terms of two members of the TRB expire May 1, 1999. Mr. McCaffery and Mr. Pahl presently hold these seats.

The election is for all elementary and secondary level teachers, except those in the Milwaukee Public Schools who have their own, separate election. There are approximately 68,000 teachers who are eligible to vote. The election results will be certified at the March meeting of the Teachers Retirement Board and the five-year terms of the successful candidates will begin on May 1, 1999.

The TRB is an important part of the Wisconsin Retirement System. It consists of 13 persons, nine of whom are elected by various teacher groups and

retired teachers to serve five-year terms. The Board advises the Employee Trust Funds Board and ETF on administrative policies and rules affecting teacher retirement. The TRB discusses retirement issues affecting teachers. It recommends amendments to and approves or rejects administrative rules proposed by ETF relating to teachers. The TRB selects a teacher to serve on the State of Wisconsin Investment Board, a separate state agency which invests the trust funds and state dollars. Four TRB members are chosen by the TRB or by statute to serve on the Employee Trust Funds Board. The TRB also authorizes and terminates payment of teacher disability benefits and decides teacher appeals regarding disability annuities. Board members attend a minimum of four meetings a year.

Claims Date is Extended for Distribution of Funds Recovered Through the Special Investment Performance Dividend (SIPD) Lawsuit

The Employee Trust Funds Board has extended the deadline for receiving a claim to November 30, 1999. The Department continues to process claims from beneficiaries, heirs and estates of WRS annuitants who may be eligible for a distribution from the funds recovered through the SIPD lawsuit. Due to the volume and complexity of claims, the Board has extended the final claims date in order to locate and pay as many eligible claims as possible.

As of mid-December we had paid nearly \$100 million in lump sum payments to approximately 43,000 annuitants and over 3,500 claimants. The average payment per claim is currently

around \$1,600, with amounts ranging from under fifty dollars to several thousand dollars.

The Department is still seeking the beneficiaries and estate representatives of the remaining eligible but now deceased WRS annuitants who may qualify for a distribution from the recovered funds. To qualify the original annuity had to begin before November 2, 1987 and continue to be paid after April of 1988. There are approximately 30,000 potential claims, but we have received claim inquiries for only about 40% of these. We are in the process of sending claim forms and issuing payments to those who have inquired.

Please contact the Department at (608) 261-4444 for further information about eligibility and claim procedures for a distribution from the recovered funds. When you call, please be prepared to provide as much of the following information as possible: The deceased annuitant's name, date of birth, date of death, Social Security number and approximate date of retirement, plus your name, address, phone number and relationship to the deceased.

Note: Due to the number of inquiries we have received, it may be several months between requesting claim information and when payment is made.

Telephones Have Been Very Busy

If you have tried to reach Employee Trust Funds at our general telephone numbers in Madison and Milwaukee, you are aware that our lines are often busy. Our volume of incoming calls has increased substantially over the last few years and unfortunately, we have not been able to handle the volume as effectively as we would like. This is especially a problem for the Milwaukee office where we have a small staff handling phone calls in addition to seeing appointments, helping people who come into the office without an appointment and doing their daily desk work.

The number of calls we receive is higher at certain times of the week, month and year. We find that our phones are especially busy the first two days of the week. We also receive many calls during the first and last few days of each month, just before and after monthly annuity payments are issued. There are even some months of the year that are busier than others. For example, call volume is very high in the month of May because this is when the annual Statements of Benefits are distributed to our active and inactive members, and when annual dividends are applied to annuities for our retirees.

Here are some helpful tips for contacting us:

Use our Telephone Message Center: This toll-free system is available 24 hours a day, seven days a week. With a touch-tone telephone, you can listen to pre-recorded information on a wide variety of topics. You can access the Telephone Message Center by calling 1-800-991-5540 or 264-6633 (Madison area).

Visit our Internet site at: <http://badger.state.wi.us/agencies/erf>. This site is designed to provide access to our most frequently requested brochures and to answer some of the most commonly asked questions about the programs

and benefits provided under the Wisconsin Retirement System. You can also do retirement benefit calculations and send an e-mail to the Department via this site.

Mail or Fax your written request for information: The Department's address and Fax number can be found on the last page of this newsletter.

Avoid the busiest phone times: You will have a better chance of getting through if you call during the later part of the week and during the middle of the month.

Call our Madison office if you are unable to get through to Milwaukee: Though the Madison phones are also very busy, we have more staff handling calls in Madison than we do in Milwaukee. The Madison office number is (608) 266-3285. Our phones are open in both offices from 7:45 a.m. to 4:30 p.m., Monday through Friday (except holidays).

We recognize that we may not currently meet your needs for telephone access to the Department. We are pursuing ways to improve our accessibility without reducing the level of other benefit services we provide to you. The Department hired a telecommunications consulting firm to recommend changes to our telephone system. As a result, we are seeking funding through the 1999-2001 State biennial budget to design and implement a Customer Call Center based on the recommendations. We look forward to the day when we respond promptly to every customer inquiry.



Year 2000 Update

The Department of Employee Trust Funds continues to take an aggressive approach to ensuring our business systems are Year 2000 (Y2K) compliant as we approach the turn of the century. Since our last update in our September 1998 issue of the Trust Fund News (Volume 16, Number 3), we have completed testing on our member database, the Wisconsin Employee Benefits System (WEBS), and new anticipate completion of testing on the Annuity Payments System by March 1, 1999. This testing schedule will allow us to run all programs in calendar year 1999 to ensure proper system functionality. The review and testing of our internally developed applications and other personal computer hardware and software applications are approximately 90% complete.

A Department Y2K Taskforce was formed to guide efforts to prepare for the Year 2000. The Taskforce meets regularly with staff and serves as the link with the Governor's Y2K Executive Oversight Committee regarding all reporting relative to our Y2K compliance. The Taskforce also sent letters to vendors and third party administrators who provide us with critical services, requiring bi-monthly reports to assure that their systems will be Year 2000 compliant. Evaluation teams consisting of both program and information technology experts were created to monitor the progress of our vendors and third party administrators and to serve as liaisons for ETF on compliance issues.

In January 1999, the Department will shift its Y2K focus to the development and implementation of contingency planning to ensure continued operation of critical systems, equipment and devices. We will also have our Y2K actions reviewed by a third party, the Department of Administration's Performance Evaluation Office, in March 1999. This review will give us added confi-

Year 2000 continued on page 6

Answers to Commonly Asked Questions on Beneficiary Designations

Q1. Will my beneficiaries change automatically if I get married or divorced, have children, or there are other changes in my personal situation?

A1. No. Under WRS law all death benefits must be paid according to the last beneficiary designation you filed with the Department, regardless of any changes in your personal situation. If you have never filed a designation form, death benefits will be paid according to statutory standard sequence (spouse, children, grandchildren, parents, siblings, estate).

When you file a new designation with the Department, it replaces any old designation you have filed. The new designation will provide us with current information about your beneficiaries that will help us locate them upon your death.

Q2. Do my retirement account beneficiaries change when I retire?

A2. It depends on the payment option you select. When you retire the payment option you select determines the payment of benefits upon your death. If you select a joint and survivor option and you name a survivor on your application, benefits are payable to that person only upon your death. Your named survivor cannot be changed. If, however, you select a payment option with a guarantee period, your beneficiary designation is valid until the guarantee period expires. There is also a payment option that provides payments only for your lifetime and there is no benefit payable upon your death - the beneficiary designation becomes irrelevant.

Note: Any life insurance benefits that are payable from the Wisconsin

Retirement System are governed by your current beneficiary on file as defined under Q & A #1.

Q3. Does my beneficiary designation filed with Employee Trust Funds govern death benefit payments from my Wisconsin Deferred Compensation Program (Sec. 457) account?

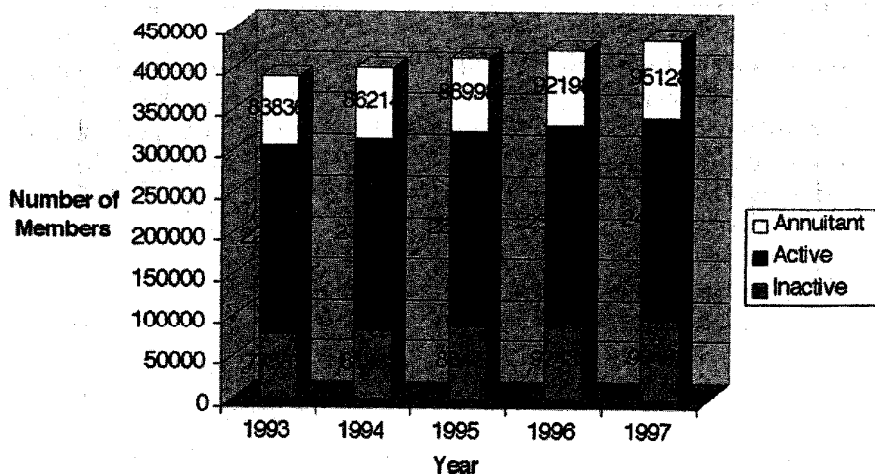
A3. No. You must file a beneficiary designation specifically for your Wisconsin Deferred Compensation Program (WDC) account with the program administrator. The current WDC administrator is National Deferred Compensation. You can call them for a form at 1-800-257-4457 or in Madison at (608) 256-6200, or you can print a beneficiary form from the WDC Internet site at <http://www.deferred-comp.com/wdc.htm>.

Year 2000 *continued from page 5*

dence that we have taken all reasonable steps to prepare.

ETF is committed to meet the Year 2000 challenge and to serve its customers on an ongoing, reliable basis. In addition to providing Y2K updates in each edition of the *Trust Fund News*, we are making every effort possible to communicate our Y2K progress to our customers. We have established a Year 2000 Update section on our Internet Website (see <http://badger.state.wi.us/agencies/etf/> under the "What's New" section). We also have a recorded Y2K message on our 24-hour Telephone Message Center (call 1-800-991-5540 or (608) 264-6633 (local Madison) and press number 10985).

Five-Year WRS Membership Growth



Spring Public Benefit Sessions Are Scheduled

Starting in February and going through April the Department of Employee Trust Funds (ETF) is sponsoring free, public presentations for individuals considering or planning retirement. Each of the sessions on the Wisconsin Retirement System is from 7 to 9 p.m. All locations are handicapped accessible with adequate free parking. Reservations are required for the Interactive Television Presentations, but not for the other general group session locations.

The schedule is:

* **Ashland**

Wednesday, March 10
Ashland High School Auditorium
1900 Beaser Ave., Ashland

* **Bloomer**

Wednesday, March 24
Bloomer High School Commons
1310 17th Ave., Bloomer

* **Brookfield**

Tuesday, March 16
Brookfield East High School Cafeteria
3305 N. Lilly, Brookfield

* **Green Bay**

Tuesday, April 20
Bay Port High School Auditorium
1217 Cardinal, Green Bay

* **Port Edwards**

Monday, March 8
John Edwards High School
Cafeteria
801 2nd St. (Use 3rd St. Entrance),
Port Edwards

* **Prescott**

Tuesday, March 23
Prescott High School Cafeteria
1220 St. Croix St., Prescott

* **Rhineland**

Tuesday, March 9
James Williams Junior High School
Auditorium
915 Acacia Lane, Rhineland



* **Westby**

Monday, March 22
Westby High School Multi-Purpose
Room
206 West Ave, Westby

The following three are public presentations hosted by individual employers:

* **Cleveland**

Monday, April 19
Lakeshore Technical College,
Lakeshore Building
1290 North Ave., Cleveland

* **Waunakee**

Wednesday, February 10
Waunakee High School Auditorium
100 School Dr., Waunakee

* **Whitewater**

Tuesday, March 2
UW Whitewater
Roseman Auditorium, Whitewater
(Enter Pedestrian Mall door at the
north end of the building. Park in
Lot 7 off of Starin Rd. No permit is
needed for this event.)

NO RESERVATIONS NEEDED FOR
THE ABOVE PRESENTATIONS

If weather should become severe,
please listen to local radio station for
cancellations.

Interactive Television Presentations
(Reservations needed for the following
sites)

Hosted by SRTNC Network:

Tuesday, March 23
CESA #3 (Fennimore), Darlington
High School, Cuba City High School
and Iowa-Grant High School
(Livingston)

Call Clark Jillson at (608)822-3276
Ext. 259 to make a reservation to
attend the March 23rd presentation at
one of these sites.

Department of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931

ADDRESS SERVICE REQUESTED

The *Trust Fund News* is published three times a year by the Wisconsin Department of Employee Trust Funds to inform the members of the Wisconsin Retirement System about benefit programs.

Department Secretary
Deputy Secretary
Editor

Eric Stanchfield
David Mills
Julie Reneau

Write Us: For most requests write to ETF, PO Box 7931, Madison, WI 53707-7931, include your Social Security number and a daytime phone number. Retirees wanting to change your mailing address write to Payment Services at the above address, and include your Social Security number, signature, and old and new addresses.

Fax Us: (608) 267-4549

Call Us: Monday - Friday, 7:45 a.m. to 4:30 p.m., Central Time. For assistance with retirement or other benefits call the Member Services Bureau. In Madison call (608) 266-3285 to speak with a specialist, and for an appointment call (608) 266-5717. In Milwaukee call (414) 227-4294.

Have your Social Security number available. The Teletypewriter number is (608) 267-0676.

E-mail us Through Our Internet Site:
<http://badger.state.wi.us/agencies/etf>

Listen to Pre-recorded messages on the Benefit Message Center: Call 1-800-991-5540 or 264-6633 (local Madison). It is available 24 hours a day, 7 days a week. You must have a touch-tone phone to use this system.

The Department of Employee Trust Funds does not discriminate on the basis of disability in the provision of programs, services or employment. If you are speech, hearing or visually impaired and need assistance, call (608) 266-3285 or TTY (608) 267-0676. We will try to find another way to get the information to you in a usable form.



ET-7402
01/4/99

Malaise, Gordon

From: Fossum, Gretchen
Sent: Monday, January 25, 1999 3:11 PM
To: Malaise, Gordon
Subject: Draft Changes

Gordon:

Please make changes to the following drafts:

~~1. LRB 0271/2, Incentive Funds for Counties - section 5 should only apply to counties with a population of less than 500,000.~~

2. LRB 0271/2, Incentive Funds for Counties - section 5 should only apply to counties with a population of less than 500,000.

If you have any questions, please contact me at 266-2288.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0271/3
GMM:kmg:sjf
AMR

DOA:.....Fossum - Incentive funds for counties

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

1

*Don't
open Cat.*
AN ACT relating to: the budget.

to counties having a population of less than 500,000

**Analysis by the Legislative Reference Bureau
HEALTH AND HUMAN SERVICES**

CHILDREN

Under current law, the state receives federal foster care and adoption assistance funding under Title IV-E of the federal Social Security Act (generally referred to as "IV-E funds"), in reimbursement of moneys expended by the state and the counties for activities relating to foster care and the adoption of children. Currently, the department of health and family services (DHFS) distributes IV-E funds as community aids to counties for the provision of social services to children and families. Currently, if on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the amount of IV-E funds allocated as community aids in that year (excess IV-E funds), DHFS must carry forward to the next year those excess IV-E funds and distribute not less than 50% of those excess IV-E funds to counties having a population of less than 500,000 for services and projects to assist children and families.

This bill requires DHFS to ^{distribute} ~~allocate~~ as community aids any federal medical assistance (MA) funds received as reimbursement of moneys expended by the state and the counties for case management services provided to children who are recipients of MA (MA targeted case management funds). The bill also provides that, if on December 31 of any year there remains unspent or unencumbered in the

in counties having a population of less than 500,000

community aids basic county allocation an amount that exceeds the combined amount of IV-E funds and MA targeted case management funds ~~allocated~~ as community aids in that year (excess IV-E and MA targeted case management funds), DHFS must carry forward to the next year those excess IV-E and MA targeted case management funds and distribute those excess funds to counties having a population of less than 500,000 for services and projects to assist children and families. distributed

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

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

1 **SECTION 1.** 46.034 (3) of the statutes is amended to read:

2 46.034 (3) With the agreement of the affected county board of supervisors in
3 a county with a single-county department or boards of supervisors in counties with
4 a multicounty department, effective for the contract period beginning January 1,
5 1980, the department may approve a county with a single-county department or
6 counties participating in a multicounty department to administer a single
7 consolidated aid consisting of the state and federal financial aid available to that
8 county or those counties from appropriations under s. 20.435 (3) (o) and (7) (b), (kw),
9 (kz) and (o) for services provided and purchased by county departments under ss.
10 46.215, 46.22, 46.23, 51.42 and 51.437. Under such an agreement, in the interest of
11 improved service coordination and effectiveness, the county board of supervisors in
12 a county with a single-county department or county boards of supervisors in
13 counties with a multicounty department may reallocate among county departments
14 under ss. 46.215, 46.22, 46.23, 51.42 and 51.437 funds that otherwise would be
15 specified for use by a single county department. The budget under s. 46.031 (1) shall
16 be the vehicle for expressing the proposed use of the single consolidated fund by the
17 county board of supervisors in a county with a single-county department or county
18 boards of supervisors in counties with a multicounty department. Approval by the

1 department of this use of the fund shall be in the contract under s. 46.031 (2g).
2 Counties that were selected by the department to pilot test consolidated aids for
3 contract periods beginning January 1, 1978, may continue or terminate
4 consolidation with the agreement of the affected county board of supervisors in a
5 county with a single-county department or county boards of supervisors in counties
6 with a multicounty department.

7 **SECTION 2.** 46.215 (2) (c) 1. of the statutes is amended to read:

8 46.215 (2) (c) 1. A county department of social services shall develop, under the
9 requirements of s. 46.036, plans and contracts for care and services to be purchased,
10 except for care and services under subch. III of ch. 49 or s. 301.08 (2). The department
11 of health and family services may review the contracts and approve them if they are
12 consistent with s. 46.036 and if state or federal funds are available for such purposes.
13 The joint committee on finance may require the department of health and family
14 services to submit the contracts to the committee for review and approval. The
15 department of health and family services may not make any payments to a county
16 for programs included in a contract under review by the committee. The department
17 of health and family services shall reimburse each county for the contracts from the
18 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), as appropriate,
19 under s. 46.495.

20 **SECTION 3.** 46.22 (1) (e) 3. a. of the statutes is amended to read:

21 46.22 (1) (e) 3. a. A county department of social services shall develop, under
22 the requirements of s. 46.036, plans and contracts for care and services, except under
23 subch. III of ch. 49 and s. 301.08 (2), to be purchased. The department of health and
24 family services may review the contracts and approve them if they are consistent
25 with s. 46.036 and to the extent that state or federal funds are available for such

1 purposes. The joint committee on finance may require the department of health and
 2 family services to submit the contracts to the committee for review and approval.
 3 The department of health and family services may not make any payments to a
 4 county for programs included in the contract that is under review by the committee.
 5 The department of health and family services shall reimburse each county for the
 6 contracts from the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
 7 (o) according to s. 46.495.

SECTION 4. 46.40 (1) (a) of the statutes is amended to read:

9 46.40 (1) (a) Within the limits of available federal funds and of the
 10 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), the department
 11 shall distribute funds for community social, mental health, developmental
 12 disabilities and alcohol and other drug abuse services and for services under ss.
 13 46.51, 46.87, 46.985 and 51.421 to county departments under ss. 46.215, 46.22, 46.23,
 14 51.42 and 51.437 and to county aging units, as provided in subs. (2), (2m) and (7) to
 15 (8).

to counties having a population of less than 500,000

SECTION 5. 46.40 (1) (bm) of the statutes is created to read:

(twice)

17 46.40 (1) (bm) If the department receives any federal moneys under 42 USC
 18 1396 to 1397e in reimbursement of moneys ~~allocated~~ ^{*distributed*} under par. (a) for the provision
 19 of case management ~~services~~ ^{*services*} for a child who is a recipient of medical assistance, the
 20 department shall ~~allocate~~ ^{*distribute*} those federal moneys under sub. (2).

SECTION 6. 46.45 (2) (a) of the statutes is amended to read:

22 46.45 (2) (a) If on December 31 of any year there remains unspent or
 23 unencumbered in the allocation under s. 46.40 [✓](2) an amount that exceeds the
 24 combined amount received under 42 USC 670 to 679a and 42 USC 1396 to 1397e and
 25 ~~allocated~~ under s. 46.40 (2) in that year, the department shall carry forward the

distributed

1 excess moneys and distribute not less than 50% of the excess moneys to counties
2 having a population of less than 500,000 for services and projects to assist children
3 and families, notwithstanding the percentage limit specified in sub. (3) (a). A county
4 shall use not less than 50% of the moneys distributed to the county under this
5 subsection for services for children who are at risk of abuse or neglect to prevent the
6 need for child abuse and neglect intervention services.

7 **SECTION 7.** 46.495 (1) (am) of the statutes is amended to read:

8 46.495 (1) (am) The department shall reimburse each county from the
9 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o) for social services
10 as approved by the department under ss. 46.215 (1), (2) (c) 1. and (3) and 46.22 (1)
11 (b) 1. d. and (e) 3. a. except that no reimbursement may be made for the
12 administration of or aid granted under s. 49.02.

13 **SECTION 8.** 46.495 (1) (d) of the statutes is amended to read:

14 46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b), (kw),
15 (kz) and (o), the department shall distribute the funding for social services, including
16 funding for foster care or treatment foster care of a child on whose behalf aid is
17 received under s. 46.261, to county departments under ss. 46.215, 46.22 and 46.23
18 as provided under s. 46.40. County matching funds are required for the distributions
19 under s. 46.40 (2) and (8). Each county's required match for a year equals 9.89% of
20 the total of the county's distributions for that year for which matching funds are
21 required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats., to
22 spend for juvenile delinquency-related services from its distribution for 1987.
23 Matching funds may be from county tax levies, federal and state revenue sharing
24 funds or private donations to the county that meet the requirements specified in s.
25 51.423 (5). Private donations may not exceed 25% of the total county match. If the

1 county match is less than the amount required to generate the full amount of state
2 and federal funds distributed for this period, the decrease in the amount of state and
3 federal funds equals the difference between the required and the actual amount of
4 county matching funds.

5 **SECTION 9.** 46.985 (7) (a) of the statutes is amended to read:

6 46.985 (7) (a) From the appropriations under s. 20.435 (7) (b), (kw), (kz) and
7 (o), the department shall allocate to county departments funds for the
8 administration and implementation of the program.

9 **SECTION 10.** 51.423 (1) of the statutes is amended to read:

10 51.423 (1) The department shall fund, within the limits of the department's
11 allocation for mental health services under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
12 (o) and subject to this section, services for mental illness, developmental disability,
13 alcoholism and drug abuse to meet standards of service quality and accessibility. The
14 department's primary responsibility is to guarantee that county departments
15 established under either s. 51.42 or 51.437 receive a reasonably uniform minimum
16 level of funding and its secondary responsibility is to fund programs which meet
17 exceptional community needs or provide specialized or innovative services. Moneys
18 appropriated under s. 20.435 (7) (b) and earmarked by the department for mental
19 health services under s. 20.435 (7) (o) shall be allocated by the department to county
20 departments under s. 51.42 or 51.437 in the manner set forth in this section.

21 **SECTION 11.** 51.423 (2) of the statutes is amended to read:

22 51.423 (2) From the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz)
23 and (o), the department shall distribute the funding for services provided or
24 purchased by county departments under s. 46.23, 51.42 or 51.437 to such county
25 departments as provided under s. 46.40. County matching funds are required for the

1 distributions under s. 46.40 (2). Each county's required match for a year equals
2 9.89% of the total of the county's distributions for that year for which matching funds
3 are required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats.,
4 to spend for juvenile delinquency-related services from its distribution for 1987.
5 Matching funds may be from county tax levies, federal and state revenue sharing
6 funds or private donations to the counties that meet the requirements specified in
7 sub. (5). Private donations may not exceed 25% of the total county match. If the
8 county match is less than the amount required to generate the full amount of state
9 and federal funds distributed for this period, the decrease in the amount of state and
10 federal funds equals the difference between the required and the actual amount of
11 county matching funds.

12 (END)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0271/3
GMM:kmg:km



Note

DOA:.....Fossum - Incentive funds for counties

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

1

*Don't
Sen. Cat.*
AN ACT **relating to:** the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, the state receives federal foster care and adoption assistance funding under Title IV-E of the federal Social Security Act (generally referred to as "IV-E funds"), in reimbursement of moneys expended by the state and the counties for activities relating to foster care and the adoption of children. Currently, the department of health and family services (DHFS) distributes IV-E funds as community aids to counties for the provision of social services to children and families. Currently, if on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the amount of IV-E funds allocated as community aids in that year (excess IV-E funds), DHFS must carry forward to the next year those excess IV-E funds and distribute not less than 50% of those excess IV-E funds to counties having a population of less than 500,000 for services and projects to assist children and families.

This bill requires DHFS to distribute as community aids to counties having a population of less than 500,000 any federal medical assistance (MA) funds received as reimbursement of moneys expended in counties having a population of less than 500,000 by the state and the counties for case management services provided to children who are recipients of MA (MA targeted case management funds). The bill

also provides that, if on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the combined amount of IV-E funds and MA targeted case management funds distributed as community aids in that year (excess IV-E and MA targeted case management funds), DHFS must carry forward to the next year those excess IV-E and MA targeted case management funds and distribute those excess funds to counties having a population of less than 500,000 for services and projects to assist children and families.

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

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

1 **SECTION 1.** 46.034 (3) of the statutes is amended to read:

2 46.034 (3) With the agreement of the affected county board of supervisors in
3 a county with a single-county department or boards of supervisors in counties with
4 a multicounty department, effective for the contract period beginning January 1,
5 1980, the department may approve a county with a single-county department or
6 counties participating in a multicounty department to administer a single
7 consolidated aid consisting of the state and federal financial aid available to that
8 county or those counties from appropriations under s. 20.435 (3) (o) and (7) (b), (kw),
9 (kz) and (o) for services provided and purchased by county departments under ss.
10 46.215, 46.22, 46.23, 51.42 and 51.437. Under such an agreement, in the interest of
11 improved service coordination and effectiveness, the county board of supervisors in
12 a county with a single-county department or county boards of supervisors in
13 counties with a multicounty department may reallocate among county departments
14 under ss. 46.215, 46.22, 46.23, 51.42 and 51.437 funds that otherwise would be
15 specified for use by a single county department. The budget under s. 46.031 (1) shall
16 be the vehicle for expressing the proposed use of the single consolidated fund by the
17 county board of supervisors in a county with a single-county department or county

1 boards of supervisors in counties with a multicounty department. Approval by the
2 department of this use of the fund shall be in the contract under s. 46.031 (2g).
3 Counties that were selected by the department to pilot test consolidated aids for
4 contract periods beginning January 1, 1978, may continue or terminate
5 consolidation with the agreement of the affected county board of supervisors in a
6 county with a single-county department or county boards of supervisors in counties
7 with a multicounty department.

8 **SECTION 2.** 46.215 (2) (c) 1. of the statutes is amended to read:

9 46.215 (2) (c) 1. A county department of social services shall develop, under the
10 requirements of s. 46.036, plans and contracts for care and services to be purchased,
11 except for care and services under subch. III of ch. 49 or s. 301.08 (2). The department
12 of health and family services may review the contracts and approve them if they are
13 consistent with s. 46.036 and if state or federal funds are available for such purposes.
14 The joint committee on finance may require the department of health and family
15 services to submit the contracts to the committee for review and approval. The
16 department of health and family services may not make any payments to a county
17 for programs included in a contract under review by the committee. The department
18 of health and family services shall reimburse each county for the contracts from the
19 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), as appropriate,
20 under s. 46.495.

21 **SECTION 3.** 46.22 (1) (e) 3. a. of the statutes is amended to read:

22 46.22 (1) (e) 3. a. A county department of social services shall develop, under
23 the requirements of s. 46.036, plans and contracts for care and services, except under
24 subch. III of ch. 49 and s. 301.08 (2), to be purchased. The department of health and
25 family services may review the contracts and approve them if they are consistent

1 with s. 46.036 and to the extent that state or federal funds are available for such
2 purposes. The joint committee on finance may require the department of health and
3 family services to submit the contracts to the committee for review and approval.
4 The department of health and family services may not make any payments to a
5 county for programs included in the contract that is under review by the committee.
6 The department of health and family services shall reimburse each county for the
7 contracts from the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
8 (o) according to s. 46.495.

9 ~~SECTION 4. 46.40 (1) (a) of the statutes is amended to read:~~

10 ~~46.40 (1) (a) Within the limits of available federal funds and of the~~
11 ~~appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), the department~~
12 ~~shall distribute funds for community social, mental health, developmental~~
13 ~~disabilities and alcohol and other drug abuse services and for services under ss.~~
14 ~~46.51, 46.87, 46.985 and 51.421 to county departments under ss. 46.215, 46.22, 46.23,~~
15 ~~51.42 and 51.437 and to county aging units, as provided in subs. (2), (2m) and (7) to~~
16 ~~(8).~~

17 **SECTION 5.** 46.40 (1) (bm) of the statutes is created to read:

18 46.40 (1) (bm) If the department receives any federal moneys under 42 USC
19 1396 to 1397e in reimbursement of moneys distributed under par. (a) to counties
20 having a population of less than 500,000 for the provision of case management
21 services for a child who is a recipient of medical assistance, the department shall
22 distribute those federal moneys under sub. (2) to counties having a population of less
23 than 500,000.

24 **SECTION 6.** 46.45 (2) (a) of the statutes is amended to read:

1 46.45 (2) (a) If on December 31 of any year there remains unspent or
2 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
3 combined amount received under 42 USC 670 to 679a and 42 USC 1396 to 1397e and
4 allocated distributed under s. 46.40 (2) in that year, the department shall carry
5 forward the excess moneys and distribute not less than 50% of the excess moneys to
6 counties having a population of less than 500,000 for services and projects to assist
7 children and families, notwithstanding the percentage limit specified in sub. (3) (a).
8 A county shall use not less than 50% of the moneys distributed to the county under
9 this subsection for services for children who are at risk of abuse or neglect to prevent
10 the need for child abuse and neglect intervention services.

11 **SECTION 7.** 46.495 (1) (am) of the statutes is amended to read:

12 46.495 (1) (am) The department shall reimburse each county from the
13 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o) for social services
14 as approved by the department under ss. 46.215 (1), (2) (c) 1. and (3) and 46.22 (1)
15 (b) 1. d. and (e) 3. a. except that no reimbursement may be made for the
16 administration of or aid granted under s. 49.02.

17 ~~**SECTION 8.** 46.495 (1) (d) of the statutes is amended to read.~~

18 ~~46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b), (kw),~~
19 ~~(kz) and (o), the department shall distribute the funding for social services, including~~
20 ~~funding for foster care or treatment foster care of a child on whose behalf aid is~~
21 ~~received under s. 46.261, to county departments under ss. 46.215, 46.22 and 46.23~~
22 ~~as provided under s. 46.40. County matching funds are required for the distributions~~
23 ~~under s. 46.40 (2) and (8). Each county's required match for a year equals 9.89% of~~
24 ~~the total of the county's distributions for that year for which matching funds are~~
25 ~~required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats., to~~

1 spend for juvenile delinquency-related services from its distribution for 1987.

2 Matching funds may be from county tax levies, federal and state revenue sharing

3 funds or private donations to the county that meet the requirements specified in s.

4 51.423 (5). Private donations may not exceed 25% of the total county match. If the

5 county match is less than the amount required to generate the full amount of state

6 and federal funds distributed for this period, the decrease in the amount of state and

7 federal funds equals the difference between the required and the actual amount of

8 county matching funds.

9 **SECTION 9.** 46.985 (7) (a) of the statutes is amended to read:

10 46.985 (7) (a) From the appropriations under s. 20.435 (7) (b), (kw), (kz) and
11 (o), the department shall allocate to county departments funds for the
12 administration and implementation of the program.

13 **SECTION 10.** 51.423 (1) of the statutes is amended to read:

14 51.423 (1) The department shall fund, within the limits of the department's
15 allocation for mental health services under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
16 (o) and subject to this section, services for mental illness, developmental disability,
17 alcoholism and drug abuse to meet standards of service quality and accessibility. The
18 department's primary responsibility is to guarantee that county departments
19 established under either s. 51.42 or 51.437 receive a reasonably uniform minimum
20 level of funding and its secondary responsibility is to fund programs which meet
21 exceptional community needs or provide specialized or innovative services. Moneys
22 appropriated under s. 20.435 (7) (b) and earmarked by the department for mental
23 health services under s. 20.435 (7) (o) shall be allocated by the department to county
24 departments under s. 51.42 or 51.437 in the manner set forth in this section.

25 **SECTION 11.** 51.423 (2) of the statutes is amended to read:

1 51.423 (2) From the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz)
2 and (o), the department shall distribute the funding for services provided or
3 purchased by county departments under s. 46.23, 51.42 or 51.437 to such county
4 departments as provided under s. 46.40. County matching funds are required for the
5 distributions under s. 46.40 (2). Each county's required match for a year equals
6 9.89% of the total of the county's distributions for that year for which matching funds
7 are required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats.,
8 to spend for juvenile delinquency-related services from its distribution for 1987.
9 Matching funds may be from county tax levies, federal and state revenue sharing
10 funds or private donations to the counties that meet the requirements specified in
11 sub. (5). Private donations may not exceed 25% of the total county match. If the
12 county match is less than the amount required to generate the full amount of state
13 and federal funds distributed for this period, the decrease in the amount of state and
14 federal funds equals the ~~difference between the required and the actual amount of~~
15 county matching funds.

16

(END)

D-Note

Gretchen Fossum:

This draft reconciles LRB-0271/3 and LRB-0275/4.

Both LRB-0271 and LRB-0275 should continue to appear
~~It replaces~~

in the compiled bill.

GMM

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

LRB-0271/4dn
GMM:kmg:jf

February 3, 1999

Gretchen Fossum:

This draft reconciles LRB-0271/3 and LRB-0275/4. Both LRB-0271 and LRB-0275 should continue to appear in the compiled bill.

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State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0271/4
GMM:kmg:jf

DOA:.....Fossum – Incentive funds for counties

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, the state receives federal foster care and adoption assistance funding under Title IV-E of the federal Social Security Act (generally referred to as "IV-E funds"), in reimbursement of moneys expended by the state and the counties for activities relating to foster care and the adoption of children. Currently, the department of health and family services (DHFS) distributes IV-E funds as community aids to counties for the provision of social services to children and families. Currently, if on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the amount of IV-E funds allocated as community aids in that year (excess IV-E funds), DHFS must carry forward to the next year those excess IV-E funds and distribute not less than 50% of those excess IV-E funds to counties having a population of less than 500,000 for services and projects to assist children and families.

This bill requires DHFS to distribute as community aids to counties having a population of less than 500,000 any federal medical assistance (MA) funds received as reimbursement of moneys expended in counties having a population of less than 500,000 by the state and the counties for case management services provided to children who are recipients of MA (MA targeted case management funds). The bill

also provides that, if on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the combined amount of IV-E funds and MA targeted case management funds distributed as community aids in that year (excess IV-E and MA targeted case management funds), DHFS must carry forward to the next year those excess IV-E and MA targeted case management funds and distribute those excess funds to counties having a population of less than 500,000 for services and projects to assist children and families.

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

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

1 **SECTION 1.** 46.034 (3) of the statutes is amended to read:

2 46.034 (3) With the agreement of the affected county board of supervisors in
3 a county with a single-county department or boards of supervisors in counties with
4 a multicounty department, effective for the contract period beginning January 1,
5 1980, the department may approve a county with a single-county department or
6 counties participating in a multicounty department to administer a single
7 consolidated aid consisting of the state and federal financial aid available to that
8 county or those counties from appropriations under s. 20.435 (3) (o) and (7) (b), (kw),
9 (kz) and (o) for services provided and purchased by county departments under ss.
10 46.215, 46.22, 46.23, 51.42 and 51.437. Under such an agreement, in the interest of
11 improved service coordination and effectiveness, the county board of supervisors in
12 a county with a single-county department or county boards of supervisors in
13 counties with a multicounty department may reallocate among county departments
14 under ss. 46.215, 46.22, 46.23, 51.42 and 51.437 funds that otherwise would be
15 specified for use by a single county department. The budget under s. 46.031 (1) shall
16 be the vehicle for expressing the proposed use of the single consolidated fund by the
17 county board of supervisors in a county with a single-county department or county

1 boards of supervisors in counties with a multicounty department. Approval by the
2 department of this use of the fund shall be in the contract under s. 46.031 (2g).
3 Counties that were selected by the department to pilot test consolidated aids for
4 contract periods beginning January 1, 1978, may continue or terminate
5 consolidation with the agreement of the affected county board of supervisors in a
6 county with a single-county department or county boards of supervisors in counties
7 with a multicounty department.

8 **SECTION 2.** 46.215 (2) (c) 1. of the statutes is amended to read:

9 46.215 (2) (c) 1. A county department of social services shall develop, under the
10 requirements of s. 46.036, plans and contracts for care and services to be purchased,
11 except for care and services under subch. III of ch. 49 or s. 301.08 (2). The department
12 of health and family services may review the contracts and approve them if they are
13 consistent with s. 46.036 and if state or federal funds are available for such purposes.
14 The joint committee on finance may require the department of health and family
15 services to submit the contracts to the committee for review and approval. The
16 department of health and family services may not make any payments to a county
17 for programs included in a contract under review by the committee. The department
18 of health and family services shall reimburse each county for the contracts from the
19 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o), as appropriate,
20 under s. 46.495.

21 **SECTION 3.** 46.22 (1) (e) 3. a. of the statutes is amended to read:

22 46.22 (1) (e) 3. a. A county department of social services shall develop, under
23 the requirements of s. 46.036, plans and contracts for care and services, except under
24 subch. III of ch. 49 and s. 301.08 (2), to be purchased. The department of health and
25 family services may review the contracts and approve them if they are consistent

1 with s. 46.036 and to the extent that state or federal funds are available for such
2 purposes. The joint committee on finance may require the department of health and
3 family services to submit the contracts to the committee for review and approval.
4 The department of health and family services may not make any payments to a
5 county for programs included in the contract that is under review by the committee.
6 The department of health and family services shall reimburse each county for the
7 contracts from the appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
8 (o) according to s. 46.495.

9 **SECTION 4.** 46.40 (1) (bm) of the statutes is created to read:

10 46.40 (1) (bm) If the department receives any federal moneys under 42 USC
11 1396 to 1397e in reimbursement of moneys distributed under par. (a) to counties
12 having a population of less than 500,000 for the provision of case management
13 services for a child who is a recipient of medical assistance, the department shall
14 distribute those federal moneys under sub. (2) to counties having a population of less
15 than 500,000.

16 **SECTION 5.** 46.45 (2) (a) of the statutes is amended to read:

17 46.45 (2) (a) If on December 31 of any year there remains unspent or
18 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
19 combined amount received under 42 USC 670 to 679a and 42 USC 1396 to 1397e and
20 allocated distributed under s. 46.40 (2) in that year, the department shall carry
21 forward the excess moneys and distribute not less than 50% of the excess moneys to
22 counties having a population of less than 500,000 for services and projects to assist
23 children and families, notwithstanding the percentage limit specified in sub. (3) (a).
24 A county shall use not less than 50% of the moneys distributed to the county under

1 this subsection for services for children who are at risk of abuse or neglect to prevent
2 the need for child abuse and neglect intervention services.

3 **SECTION 6.** 46.495 (1) (am) of the statutes is amended to read:

4 46.495 (1) (am) The department shall reimburse each county from the
5 appropriations under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and (o) for social services
6 as approved by the department under ss. 46.215 (1), (2) (c) 1. and (3) and 46.22 (1)
7 (b) 1. d. and (e) 3. a. except that no reimbursement may be made for the
8 administration of or aid granted under s. 49.02.

9 **SECTION 7.** 46.985 (7) (a) of the statutes is amended to read:

10 46.985 (7) (a) From the appropriations under s. 20.435 (7) (b), (kw), (kz) and
11 (o), the department shall allocate to county departments funds for the
12 administration and implementation of the program.

13 **SECTION 8.** 51.423 (1) of the statutes is amended to read:

14 51.423 (1) The department shall fund, within the limits of the department's
15 allocation for mental health services under s. 20.435 (3) (o) and (7) (b), (kw), (kz) and
16 (o) and subject to this section, services for mental illness, developmental disability,
17 alcoholism and drug abuse to meet standards of service quality and accessibility. The
18 department's primary responsibility is to guarantee that county departments
19 established under either s. 51.42 or 51.437 receive a reasonably uniform minimum
20 level of funding and its secondary responsibility is to fund programs which meet
21 exceptional community needs or provide specialized or innovative services. Moneys
22 appropriated under s. 20.435 (7) (b) and earmarked by the department for mental
23 health services under s. 20.435 (7) (o) shall be allocated by the department to county
24 departments under s. 51.42 or 51.437 in the manner set forth in this section.

25

(END)