

**1999 DRAFTING REQUEST**

**Bill**

Received: **09/23/98**

Received By: **yacketa**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Fossum**

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

Drafter: **yacketa**

May Contact:

Alt. Drafters:

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

Extra Copies: **DHFS, DAK, GMM**

**Topic:**

DOA:.....Fossum - Managed care for foster children

**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>
/P1	yacketa 10/6/98	gilfokm 10/6/98	lpaasch 10/7/98	_____	lrb_docadmin 10/7/98		S&L

FE Sent For:

<END>

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Identical to LRB:

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May Contact: Victoria Agnew-Lyon

Alt. Drafters:

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*Priority!*  
*high*

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1?	yacketa	11-10-6 KMG	10-7 LF	<del>10-7-LZ</del> JF			

FE Sent For:

<END>

# DHFS

*Department of Health and Family Services*  
1997-99 Biennial Budget Statutory Language Request  
September 11, 1998

## Managed Care for Foster Care Children

### Current Language

Children who are placed into foster care (i.e., foster homes, group homes, or residential treatment) are eligible for Medicaid (MA) during the time they are in foster care. Under current state policy, foster care children receive Medicaid services through the traditional fee-for-service (FFS) program.

### Proposed Change

Amend s. 49.45 to permit the Department to request a federal waiver of the exemption of children in foster care from mandatory enrollment in managed care.

### Effect of the Change

This change will allow the Department to plan and implement a program of mandatory managed care for children in foster care.

### Rationale for the Change

1. The Department has set a goal of moving the MA program towards managed care in order to achieve more effective coordination and delivery of recipient care and more efficient use of resources. Furthermore, performance measures indicate that children enrolled in the Medicaid HMO program receive more health screening and health care services than those in the Medicaid fee-for-service system. Foster care children generally have higher than average health care needs and could benefit from the increased services and care coordination provided through HMO enrollment.
2. HMOs are currently serving the biological families of many children in foster care, so an opportunity for coordination of children's care with that of their biological family members

already exists in the HMO program. This coordination of services could potentially yield a faster reunification of the families.

3. The Department plans to pursue an initiative to enroll foster care children into managed care. The Department proposes enrolling Medicaid eligible children currently residing in foster care living arrangements (including group homes or residential treatment) into HMOs. Enrollment would be mandatory and begin in Milwaukee County starting on July 1, 2000. Expansion to the balance of state would begin in the 2001-2003 biennium.

<b>Desired Effective Date:</b>	Upon passage
<b>Agency:</b>	DHFS
<b>Agency Contact:</b>	Victoria Agnew-Lyon
<b>Phone:</b>	266-5422



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-0287/P1

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D NOTE

DOA:.....Fossum – Managed care for foster children

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

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AN ACT...; relating to: the budget •

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**MEDICAL ASSISTANCE ✓**

Under current federal law, with certain exceptions, states are permitted to require an individual who is eligible for medical assistance to enroll in a managed care plan (generally through a health maintenance organization, or HMO) rather than receiving services under the traditional fee-for-service system. Federal law prohibits states from requiring a child who is in foster care to enroll in a managed care plan as a condition of receiving medical assistance.

This bill authorizes the department of health and family services (DHFS) to request a waiver from the secretary of the federal department of health and human services to permit DHFS to require children in foster care to enroll in a managed care plan as a condition of receiving medical assistance. If the waiver is granted and in effect, the bill permits DHFS to implement the waiver.

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:*



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

LRB-0287/P1dn

TAY...  
*TAY*

Gretchen:

It is not clear to me from reading the federal law that the prohibition against requiring foster children to enroll in a managed care plan is waivable. Nevertheless, this draft would permit the department to seek a waiver in order to require children in foster care to enroll in a managed care plan. Should the waiver language also include children in kinship care, long-term kinship care or treatment foster care (see s. 49.46 (1) (a) 5.)? Also, the department indicates that it would phase in the enrollment requirement, beginning in Milwaukee County and gradually expanding to the rest of the state. Should this be included in the draft?

Tina A. Yacker  
Legislative Attorney  
261-6927

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

LRB-0287/P1dn  
TAY:kmg:lp

October 7, 1998

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Tina A. Yacker  
Legislative Attorney  
261-6927



**Yacker, Tina**

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**From:** Fossum, Gretchen [gretchen.fossum@doa.state.wi.us]  
**Sent:** Thursday, December 17, 1998 12:10 PM  
**To:** Yacker, Tina  
**Subject:** FW: stat language for foster care managed care

Tina:

0287  
1998

This is the response to your Drafter's Note on LRB 2087/P1, Managed Care for Foster Children. Let me know if you need any additional information.

Gretchen

> -----Original Message-----  
> From: Agnew-Lyon, Victoria  
> Sent: Tuesday, October 20, 1998 8:20 AM  
> To: Fossum, Gretchen  
> Subject: stat language for foster care managed care  
>  
> Hi,  
> In response to Tina's question regarding the managed care for foster  
> children  
> stat language: 1. The prohibition against requiring managed care foster  
> care  
> children was made waivable in the Federal Balanced Budget Act of 1997. I  
> think  
> the cite is Section 1932 of the SSA: Provisions Relating to Managed Care  
> 1932(a)(2) Special Rules (A) Exemption of children with Special Needs (iv)  
> and  
> (v). 2. We want to include treatment foster care children (they may be  
> covered  
> by the current drafted language), but we do not want to include kinship  
> care  
> children . 3. As to the phase-in language Tina asked about, we don't  
> think we  
> need to have that specified in the stats. If you/she decide(s) to put it  
> in, we  
> would ask that any language include general terms to allow us to expand,  
> not  
> language that would require us to expand. We don't want to have to expand  
> into  
> areas if it would not be cost-effective.  
>  
> Thanks, and let me know if you have further questions.  
>  
>

42 USC 1396v-2(a)(2) (A)(iii)(iv)



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-0287/P1  
TAY:kmg:lp

DOA:.....Fossum - Managed care for foster children

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

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

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**NOTE TO DRAFTING FILE for LRB-0287:**

Per the drafter, this draft has been redrafted to a “/1” as no problems remain in the draft that require resolution before introduction of the budget bill. There are no changes between the “/PX” and the “/1.”

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