

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB #-3130/2

INTRODUCTION # AB 674

Admin. Rule #

Subject
 Veteran's Home in SE Wisconsin

Fiscal Effect

State: No State Fiscal Effect

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

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

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

Decrease Costs

Local: No local government costs

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

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

This bill adds statutory language necessary to implement the authority the Department of Veterans Affairs (DVA) has to construct and operate a residential treatment and/or nursing facility in southeastern Wisconsin in the same manner as the facilities at King.

This fiscal estimate assumes that the new DVA facility will be Medicaid-certified, as is the facility at King. As such, many of the costs incurred in caring for residents at the new facility will be eligible for Medicaid reimbursement. It is also assumed that the new facility will provide care to a certain number of state veterans who are not currently residing in another Medicaid-certified facility.

Under these assumptions, this bill will increase the costs to the Medicaid program which is administered by DHFS. However, it is not possible to estimate the exact fiscal effect for the following reasons:

1. It is not known how many Medicaid-eligible residents will be at the new facility.
2. DHFS cannot calculate a projected daily Medicaid rate of reimbursement for the new facility until more specific capital and operating cost assumptions are known.

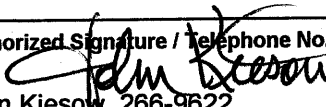
The Department will also incur staff time in order to issue a state nursing home license and federal certification for Medicare and Medicaid reimbursement for the new facility. Department staff will review application materials and building plans and conduct on-site inspections before issuing a license and certification. It is assumed that the Department can conduct these activities with existing staff.

Therefore, this bill will likely cause an increase in Medicaid costs, but it is not possible to estimate them at this time.

Long-Range Fiscal Implications:

Clients in the residential care apartment complex at this facility will receive more comprehensive case management services than are provided to the general public. As such, their utilization of Medicaid card and waiver services may increase. Counties may be affected to the extent that they pay for community services in excess of Medicaid rates.

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 John Kiesow, 266-9622

Date
 2/4/00

Session

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Veteran's Home in SE Wisconsin

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ see text	\$ -
B. State Costs by Source of Funds		
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS \$ see text _____ \$0 _____

NET CHANGE IN REVENUES \$0 _____ \$0 _____

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