

FISCAL ESTIMATE

DOA-2048 N(R10/96)

- ORIGINAL
- UPDATED
- CORRECTED
- SUPPLEMENTAL

Subject

Exemption from Resource Allocation Program for State Centers and New Veterans Facility in Southeastern 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 Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues

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

Local: No local government costs

- 1. Increase Costs
 - Permissive Mandatory
- 2. Decrease Costs
 - Permissive Mandatory

- 3. Increase Revenues
 - Permissive Mandatory
- 4. Decrease Revenues
 - Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 - Counties Others _____
 - School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

Under current law the construction of new nursing home beds, increases in nursing home bed capacity, certain large capital expenditures and clinical equipment expenditures, and the conversion of a nursing home to a developmental disability facility are subject to the state resource allocation program. Under this program, none of these activities may be undertaken without the approval of the department of health and family services. Currently this program does not apply to the Wisconsin Veterans Home at King. Under this bill, the program would also not apply to the new veterans nursing care facility in southeastern Wisconsin nor to the three state centers for the developmentally disabled.

By exempting the three state centers for the developmentally disabled and the new veterans nursing care facility in southeastern Wisconsin from the resource allocation program, the Department of Health and Family Services (DHFS) expects to gain administrative efficiency by the elimination of duplicated procedures. The resource allocation program is designed to monitor and control budget and capital expenditures of nursing homes not operated by the state. Because the state centers and the new veterans facility are operated by the state, and the legislature approves expenditures for these facilities, the resource allocation program duplicates the monitoring and control procedure of the state and legislature.

Although this bill is expected create administrative efficiency for DHFS, the efficiencies created cannot be estimated at this time. Therefore this bill is expected to have no fiscal effect.

Long-Range Fiscal Implications

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Date

3/7/00

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