

# STATE OF WISCONSIN

# Senate Journal

## Ninety–Fourth Regular Session

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WEDNESDAY, November 15, 2000

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The Chief Clerk makes the following entries under the above date.

### PETITIONS AND COMMUNICATIONS

#### Milwaukee Public Schools

November 13, 2000

The Honorable, The Senate:

Enclosed you will find a copy of the report entitled “High/Scope All-Day Five-Year-Old Kindergarten Program and High/Scope First Grade Program.” This report summarizes the projects and the data collected for the 1999-2000 school year.

Each year a report is prepared in response to Sections [119.71](#), [119.73](#), and [119.75](#) of the current state statutes.

Sincerely,

MICKEY BEIL

Governmental Relations Specialist  
Office of Governmental Relations

#### State of Wisconsin Legislative Audit Bureau

November 10, 2000

The Honorable, The Senate:

Section 9131(3m) of [1999 Wisconsin Act 9](#) requires the Legislative Audit Bureau to contract with an organization to evaluate the cost-effectiveness, access to services, and quality of care provided by the Family Care pilot projects. In collaboration with staff from the Department of Health and Family Services, the Legislative Audit Bureau released a request for proposals and, from among the five competitive proposals submitted, selected The Lewin Group to evaluate the Family Care program. As contract administrator, the Legislative Audit Bureau approves each work product delivered by The Lewin Group to ensure objectivity and independence. However, the findings, conclusions, and recommendation in the report are those of The Lewin Group.

The evaluation process has three stages. The first stage was the development of the enclosed Wisconsin Family Care Implementation Process Evaluation Report. The second stage will be the development of an impact evaluation, which will assess the extent to which the pilot projects are meeting the stated goals of Family Care. That stage is currently scheduled to begin in June 2001. The final stage of the evaluation will assess the benefits and costs of the program. Work on it is currently scheduled to begin in January 2002.

The enclosed report is the first of five The Lewin Group will develop on the status of Family Care implementation. The report contains background information on the Family Care program as a whole, as well as evaluative information on the development of each pilot project. The report also contains a

glossary of terms and a research methodology section that demonstrates the contacts made by The Lewin Group in the five pilot counties—Fond du Lac, La Crosse, Milwaukee, Portage and Richland—in order to assess the current status of the Family Care program.

Through contact with these pilot projects and numerous interviews with staff from the Department, The Lewin Group advances the following key findings about the implementation of Family Care:

- In the five pilot counties, enrollment in the Care Management Organization (CMO) that arrange and manage services for individuals enrolled in Family Care was essentially limited to the conversion of Community Options Program (COP) clients and the removal of individuals from existing waiting lists. Through September 8, 2000, 1,513 individuals were enrolled in Family Care in the four pilot counties with fully operational CMOs. (Richland County is not yet operating its CMO.) The pilot projects were not able to enroll new consumers from all target populations as efficiently as they had anticipated.
- The number of actual contacts made by Resource Centers, which provide one-stop shopping for information and assistance in obtaining long-term care services, exceeded projected goals. From March to June 2000, 15,734 contacts were made by the Resource Centers in Fond du Lac, La Crosse, Milwaukee, and Portage counties. The projected goal was 3,223. The extensive use of the Resource Centers indicates that they are meeting a need for information about long-term choices.
- While Resource Centers have improved consumers’ ability to make informed choices about long-term care, there is significant variation among pilot projects in the manner in which information is organized and provided. There are also some needs that the pilot projects report are unmet. These include transportation, short-term case management, and supported employment for the developmentally disabled population.
- Consumer direction and advocacy are important components in the structural design of Family Care. However, these components have yet to be fully implemented. The pilot projects have been focused on administrative issues such as staffing and case conversion and are just beginning to concentrate on incorporating other requirements. Similarly, quality assurance and improvement efforts are just beginning in the pilot projects.
- Pilot projects are making progress in integrating the management of medical and social care. However, it is too early to discern when changes

in care management will actually occur. Pilot projects have reported that care management is much more time-intensive than expected because of the need to develop a care plan with significant consumer input and because there are more services to manage and monitor under the Family Care model.

- A capitated rate-setting methodology has evolved over time, and the Department appears to have made an effort to include pilot counties in the process. The report chronicles the creation and refinement of the methodology and defines its components in detail.
- Unresolved governance issues have emerged as a central issue in the implementation of Family Care. The Department continues to work to resolve issues involving potential conflicts of interest when a county board oversees both the entity that receives capitated funds to provide Family Care services and the entity that determines the necessary level of care and provides enrollment counseling.

The report is available on the Legislative Audit Bureau's Web page at <http://www.legis.state.wi.us/lab>. Copies are also available from our office. If you have further questions please contact me.

Sincerely,

JANICE MUELLER  
State Auditor

**State of Wisconsin  
Legislative Audit Bureau**

November 9, 2000

The Honorable, The Legislature:

At the request of the Department of Health and Family Services (DHFS), we have completed a financial audit of the Health Insurance Risk-Sharing Plan (HIRSP) for fiscal year 1998-99. HIRSP provides medical insurance for individuals unable to obtain coverage in the private market. At the end of calendar year 1999, 7,904 policyholders were enrolled in the plan. We were able to provide an unqualified opinion on the HIRSP financial statement and we note that HIRSP had net income of \$6.6 million, which is a considerable improvement over the \$9.4 million loss the previous year.

Oversight responsibility for HIRSP transferred to DHFS from the Office of the Commissioner of Insurance in 1998. DHFS has taken steps to address problems experienced with that transition and changes in statutes affecting the program. However, some of our prior audit concerns related to HIRSP's funding structure and service delivery still need to be addressed, and improved reporting is needed to help DHFS manage the program.

We also found DHFS does not have controls in place to ensure that policyholders are charged and pharmacies are reimbursed at HIRSP-allowed rates for prescription drugs, which represent 45 percent of HIRSP's total claim costs. As the result of suspending important system controls, we estimate that HIRSP overpaid drug claims during fiscal year 1998-99 and 1999-2000 by at least \$3.7 million. DHFS is taking steps to recover these overpayments, as well as to improve its drug claim process.

We appreciate the courtesy and cooperation extended to us by DHFS and the plan administrators. The response from DHFS is the appendix.

Sincerely,

JANICE MUELLER  
State Auditor

**State of Wisconsin  
Department of Administration**

October 30, 2000

The Honorable, The Legislature:

Chapter 34, Laws of 1979, requires that when the Department of Administration maintains an office in Washington, DC, for the purpose of promoting federal/state cooperation, it should submit a report detailing the activities of the office and reporting the status of federal legislation of concern to the Legislature and other state agencies. (Wis. Stats. 16548(2)).

The report for the period July, 2000, through September, 2000, is attached.

Sincerely,

GEORGE LIGHTBOURN  
Secretary

**State of Wisconsin  
Department of Administration  
Division of Gaming**

November 6, 2000

The Honorable, The Legislature:

Included with this correspondence, I am submitting the report of the Department of Administration, Division of Gaming (Gaming), for the first quarter of fiscal year 2001 (July 1, 2000 through September 30, 2000). As required by s. 562.02(1)(g), Wis. Stats., the attached materials contain pari-mutuel wagering and racing statistical information, as well as the revenues for the program areas of Racing, Charitable Gaming and Indian Gaming. Please note that Bingo revenues are now captured in a new appropriation (836) and therefore are shown on a separate chart from the rest of Charitable Gaming.

If you have any questions or comments regarding this report, please do not hesitate to contact Richard Pedersen at (608) 270-2546.

Sincerely,

F. SCOTT SCEPANIAC  
Administrator

**State of Wisconsin  
Department of Commerce**

October 9, 2000

The Honorable, The Senate:

Pursuant to s. 15.04(d), I am enclosing a copy of the Department's 1997-1999 Biennial Report.

Sincerely,

BRENDA J. BLANCHARD  
Secretary

**State of Wisconsin  
Ethics Board**

November 14, 2000

The Honorable, The Senate:

The following lobbyists have been authorized to act on behalf of the organizations set opposite their names.

For more detailed information about these lobbyists and organizations and a complete list of organizations and people authorized to lobby the 1999 session of the legislature, visit the Ethics Board's web site at <http://ethics.state.wi.us>

Franken, Andrew **Northern States Power Company**  
Skewes, William **Wisconsin Utilities Association Inc**  
Wilson, John D. **Northern States Power Company**

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for

lobbying activities filed by the organizations that employ lobbyists.

Sincerely,

ROTH JUDD  
Director

**Wisconsin Technical College System Board**

The Honorable, The Legislature:

This letter is to certify that all sixteen Wisconsin Technical Colleges have provided sexual assault and harassment orientation, materials and information as required under state statute 38.12 (11) for the 2000-2001 school year.

Individual college letters assuring compliance along with sample information and materials provided to students are on file in our office at this time. If you have any questions or need additional information, please contact Keith Krinke, Systems Equal Opportunity Officer, of my staff at 266-1844.

Sincerely,

EDWARD CHIN  
State Director

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**REFERRALS AND RECEIPT OF  
COMMITTEE REPORTS CONCERNING  
PROPOSED ADMINISTRATIVE RULES**

The committee on **Agriculture, Environmental Resources and Campaign Finance Reform** reports and recommends:

**Senate Clearinghouse Rule 00-076**

Relating to lake planning grants.

No action taken.

**Senate Clearinghouse Rule 00-090**

Relating to sites contaminated with petroleum products discharged from petroleum storage tanks.

No action taken.

**Senate Clearinghouse Rule 00-096**

Relating to reducing ozone concentrations in the ambient air in southeastern Wisconsin by controlling nitrogen oxides (NOx) and volatile organic compound (VOC) emissions.

No action taken.

**Senate Clearinghouse Rule 00-101**

Relating to the control of volatile organic compound emissions from auto body refinishing operations.

No action taken.

**Senate Clearinghouse Rule 00-102**

Relating to commercial fishing for chubs on Lake Michigan.

No action taken.

**Senate Clearinghouse Rule 00-103**

Relating to the 2000 migratory game bird season.

No action taken.

Alice Clausing  
Chairperson

The committee on **Economic Development, Housing and Government Operations** reports and recommends:

**Senate Clearinghouse Rule 00-100**

Relating to peace officers, causes for denial, firearms permits, and firearms proficiency certifiers.

No action taken.

**Senate Clearinghouse Rule 00-105**

Relating to real estate education requirements.

No action taken.

**Senate Clearinghouse Rule 00-123**

Relating to the master settlement agreement between the state of Wisconsin and tobacco product manufacturers.

No action taken.

Robert Wirch  
Chairperson

The committee on **Health, Utilities, Veterans and Military Affairs** reports and recommends:

**Senate Clearinghouse Rule 00-060**

Relating to retail food establishments.

No action taken.

**Senate Clearinghouse Rule 00-084**

Relating to the medicaid purchase plan.

No action taken.

**Senate Clearinghouse Rule 00-095**

Relating to the collection, analysis and dissemination of health care information.

No action taken.

**Senate Clearinghouse Rule 00-113**

Relating to the definition of "public utility" and sewerage systems access to railroad rights-of-way.

No action taken.

**Senate Clearinghouse Rule 00-114**

Relating to operation of the health insurance risk-sharing plan (HIRSP).

No action taken.

Rodney Moen  
Chairperson

The committee on **Human Services and Aging** reports and recommends:

**Senate Clearinghouse Rule 00-066**

Relating to emergency assistance for families facing impending homelessness.

No action taken.

Judy Robson  
Chairperson

The committee on **Privacy, Electronic Commerce and Financial Institutions** reports and recommends:

**Senate Clearinghouse Rule 00-117**

Relating to securities registration exemptions and to securities broker-dealer, agent, investment adviser and investment adviser representative licensing procedures, record-keeping requirements and rule of conduct provisions.

No action taken.

Jon Erpenbach  
Chairperson