

2001 DRAFTING REQUEST**Bill**

Received: 12/21/2000

Received By: **kenneda**Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 267-7980**By/Representing: **Mullikin**This file may be shown to any legislator: **NO**Drafter: **kenneda**

May Contact:

Alt. Drafters:

Subject: **Public Assistance - med. assist.**Extra Copies: **ISR****Pre Topic:**

DOA:.....Mullikin -

Topic:

Appropriation for intergovernmental transfer program funds

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>
/?	kenneda 01/06/2001	gilfokm 01/08/2001					S&L
/P1			pgreensl 01/09/2001		lrb_docadmin 01/09/2001		S&L
/P2	kenneda 01/14/2001	csicilia 01/15/2001	martykr 01/15/2001		lrb_docadmin 01/15/2001		S&L
/P3	kenneda 01/22/2001	csicilia 01/22/2001	martykr 01/22/2001		gretskl 01/22/2001		S&L
/1	kenneda 01/24/2001	jdyer 01/25/2001	pgreensl 01/25/2001		lrb_docadmin 01/25/2001		S&L
/2	kenneda 01/26/2001	csicilia 01/26/2001	pgreensl 01/26/2001		lrb_docadmin 01/26/2001		S&L
/3	kenneda 01/29/2001	gilfokm 01/29/2001	rschluet 01/29/2001		lrb_docadmin 01/30/2001		S&L
/4	kenneda	jdyer	martykr		lrb_docadmin		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	02/07/2001	02/07/2001	02/07/2001	_____	02/07/2001		

FE Sent For:

<END>

2001 DRAFTING REQUEST

Bill

Received: 12/21/2000

Received By: **kenneda**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 267-7980**

By/Representing: **Mullikin**

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

Drafter: **kenneda**

May Contact:

Alt. Drafters:

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

Extra Copies: **ISR**

Pre Topic:

DOA:.....Mullikin -

Topic:

Appropriation for intergovernmental transfer program funds

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>
/?	kenneda 01/06/2001	gilfokm 01/08/2001		_____			S&L
/P1			pgreensl 01/09/2001	_____	lrb_docadmin 01/09/2001		S&L
/P2	kenneda 01/14/2001	csicilia 01/15/2001	martykr 01/15/2001	_____	lrb_docadmin 01/15/2001		S&L
/P3	kenneda 01/22/2001	csicilia 01/22/2001	martykr 01/22/2001	_____	gretskl 01/22/2001		S&L
/1	kenneda	jdyer	pgreensl	_____ ^{cm#} _{km#}	lrb_docadmin		S&L

1/4 2/7 jld

1/4 2/7 cm#

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	01/24/2001	01/25/2001	01/25/2001	_____	01/25/2001		
/2	kenneda 01/26/2001	csicilia 01/26/2001	pgreensl 01/26/2001	_____	lrb_docadmin 01/26/2001		S&L
/3	kenneda 01/29/2001	gilfokm 01/29/2001	rschluet 01/29/2001	_____	lrb_docadmin 01/30/2001		

FE Sent For:

<END>

2001 DRAFTING REQUEST

Bill

Received: 12/21/2000

Received By: kenneda

Wanted: As time permits

Identical to LRB:

For: Administration-Budget 267-7980

By/Representing: Mullikin

This file may be shown to any legislator: NO

Drafter: kenneda

May Contact:

Alt. Drafters:

Subject: Public Assistance - med. assist.

Extra Copies: ISR

Pre Topic:

DOA:.....Mullikin -

Topic:

Appropriation for intergovernmental transfer program funds

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>
/?	kenneda 01/06/2001	gilfokm 01/08/2001					S&L
/P1			pgreensl 01/09/2001		lrb_docadmin 01/09/2001		S&L
/P2	kenneda 01/14/2001	csicilia 01/15/2001	martykr 01/15/2001		lrb_docadmin 01/15/2001		S&L
/P3	kenneda 01/22/2001	csicilia 01/22/2001	martykr 01/22/2001		gretskl 01/22/2001		S&L
/1	kenneda	jdyer	pgreensl		lrb_docadmin		S&L

13-1/29-01
/img

[Handwritten signatures and initials]
1-29-01 CH 1-29-01

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	01/24/2001	01/25/2001	01/25/2001	_____	01/25/2001		
/2	kenneda 01/26/2001	csicilia 01/26/2001	pgreensl 01/26/2001	_____	lrb_docadmin 01/26/2001		

FE Sent For:

<END>

2001 DRAFTING REQUEST

Bill

Received: 12/21/2000

Received By: **kenneda**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 267-7980**

By/Representing: **Mullikin**

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

Drafter: **kenneda**

May Contact:

Alt. Drafters:

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

Extra Copies: **ISR**

Pre Topic:

DOA:.....Mullikin -

Topic:

Appropriation for intergovernmental transfer program funds

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>
/?	kenneda 01/06/2001	gilfokm 01/08/2001		_____			S&L
/P1			pgreensl 01/09/2001	_____	lrb_docadmin 01/09/2001		S&L
/P2	kenneda 01/14/2001	csicilia 01/15/2001	martykr 01/15/2001	_____	lrb_docadmin 01/15/2001		S&L
/P3	kenneda 01/22/2001	csicilia 01/22/2001	martykr 01/22/2001	_____	gretskl 01/22/2001		S&L
/1	kenneda	jdyer	pgreensl	_____	lrb_docadmin		



<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	01/24/2001	01/25/2001	01/25/2001	1/26	01/25/2001		

FE Sent For:

1/2 cjs 1/26
01
<END>
1/26/pG

2001 DRAFTING REQUEST

Bill

Received: 12/21/2000

Received By: **kenneda**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 267-7980**

By/Representing: **Mullikin**

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

Drafter: **kenneda**

May Contact:

Alt. Drafters:

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

Extra Copies: **ISR**

Pre Topic:

DOA:.....Mullikin -

Topic:

Appropriation for intergovernmental transfer program funds

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>
/?	kenneda 01/06/2001	gilfokm 01/08/2001					S&L
/P1			pgreensl 01/09/2001		lrb_docadmin 01/09/2001		S&L
/P2	kenneda 01/14/2001	csicilia 01/15/2001	martykr 01/15/2001	<i>ks</i> <i>PS/IS</i>	lrb_docadmin 01/15/2001		S&L
/P3	kenneda 01/22/2001	csicilia 01/22/2001	martykr 01/22/2001		gretskl 01/22/2001		

FE Sent For:

1 1/25 jld
ks
PLG

<END>

2001 DRAFTING REQUEST

Bill

Received: 12/21/2000

Received By: kenneda

Wanted: As time permits

Identical to LRB:

For: Administration-Budget 267-7980

By/Representing: Mullikin

This file may be shown to any legislator: NO

Drafter: kenneda

May Contact:

Alt. Drafters:

Subject: Public Assistance - med. assist.

Extra Copies: ISR

Pre Topic:

DOA:.....Mullikin -

Topic:

Appropriation for intergovernmental transfer program funds

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>
/?	kenneda 01/06/2001	gilfokm 01/08/2001					S&L
/P1			pgreensl 01/09/2001		lrb_docadmin 01/09/2001		S&L
/P2	kenneda 01/14/2001	csicilia 01/15/2001	martykr 01/15/2001		lrb_docadmin 01/15/2001		

FE Sent For:

*/P3 cjs 1/22
00*

*Km' 22 OS
Km' 22*

<END>

2001 DRAFTING REQUEST

Bill

Received: 12/21/2000

Received By: kenneda

Wanted: As time permits

Identical to LRB:

For: Administration-Budget 267-7980

By/Representing: Mullikin

This file may be shown to any legislator: NO

Drafter: kenneda

May Contact:

Alt. Drafters:

Subject: Public Assistance - med. assist.

Extra Copies: ISR

Pre Topic:

DOA:.....Mullikin -

Topic:

Appropriation for intergovernmental transfer program funds

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>
/?	kenneda 01/06/2001	gilfokm 01/08/2001					S&L
/P1		<i>P2 cjs 1/14/01</i>	pgreensl 01/09/2001		lrb_docadmin 01/09/2001		

FE Sent For:

Km/15 *RS Rm/15*

<END>

2001 DRAFTING REQUEST

Bill

Received: 12/21/2000

Received By: **kenneda**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 267-7980**

By/Representing: **Mullikin**

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

Drafter: **kenneda**

May Contact:

Alt. Drafters:

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

Extra Copies: **ISR**

Pre Topic:

DOA:.....Mullikin -

Topic:

Appropriation for ~~Intergovernmental Transfer Program Funds~~

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>
1?	kenneda	PI-1/king 8-01	1/8/01 PG	1/9 pg/ST			

FE Sent For:

<END>

Title: Appropriation for Intergovernmental Transfer Program Funds

Current Language

Currently, federal money received under the Medical Assistance Intergovernmental Transfer Program (IGT) is budgeted in s. 20.435 (4) (o).

Proposed Change

1. In Chapter 25, establish a new segregated fund called *The Medicaid Trust Fund* that would receive moneys claimed by the State of Wisconsin under the IGT program.
2. Create a segregated fund continuing appropriation in s. 20.435 that would receive moneys from *The Medicaid Trust Fund* defined under Chapter 25 that would be used to provide the state share of Medical Assistance program benefits administered under s. 49.45, including MA payments to nursing homes, and to support costs that are exclusively related to the operational costs of claiming federal funding under the IGT program.

Effect of the Change

This proposed language change would establish a separate segregated fund for moneys received by the state under the IGT program and would establish a new continuing appropriation from which IGT moneys would be used for MA payments under s. 49.45 and for administrative costs of the IGT program.

Rationale for the Change

1. By establishing a segregated fund for the deposit of IGT moneys and a new appropriation for the payment of IGT moneys as MA benefits and as IGT program administration, IGT moneys can be held to pay MA benefits and IGT administration in fiscal years beyond the fiscal year in which the state has claimed the moneys. DHFS expects to be able to claim a large amount of federal funding under the IGT program in the next two fiscal years. Due to a change in federal policy expected to be effective SFY 04, the amount of annual federal IGT funding that Wisconsin is able to claim is expected to drop substantially in SFY 04 and beyond. Using the segregated fund approach, IGT moneys claimed in a fiscal year in which IGT federal claims were large could be held in the segregated fund and used to offset MA benefit and IGT administration costs in future years in which IGT claims will be smaller. The segregated fund and segregated fund

increases for
other providers
bond counsel,
legal
council
+ banking
fees
to
effect
transfer
from
DCOS.

appropriation allow administration of IGT funds in a way that addresses longer term goals of the MA program.

Desired Effective Date: Upon Passage
Agency: DHFS
Agency Contact: Anne Miller
Phone: 266-5422

Kennedy, Debora

From: Mullikin, Melissa
Sent: Thursday, December 21, 2000 4:15 PM
To: Kennedy, Debora
Subject: FW: Stat. Language Draft for IGT Appropriation



IGT Stat Language
Change.doc

Hi Debora,

Attached is a statutory language request from DHFS regarding the IGT program. Specifically, we'd like to establish a trust fund into which IGT proceeds would be deposited. Please direct questions and/or comments to me and I'll share them with DHFS.

Thanks much and happy holidays!
Melissa

Melissa Mullikin
Executive Policy and Budget Analyst
State Budget Office
267-7980

-----Original Message-----

From: Bove, Fredi-Ellen
Sent: Thursday, December 21, 2000 2:44 PM
To: Kraus, Jennifer; Mullikin, Melissa
Cc: Miller, Anne; Thompson, Cheryl; Warnke, Donald; Young, Otto;
Bartels, Peggy; Bormett, Michael; Boroniec, Priscilla
Subject: Stat. Language Draft for IGT Appropriation

Per Melissa's voice mail request, attached is a draft stat. language request we developed. The material is still under review in our Department. Let me know if you have comments.

date HCFA receives written from the agency that it proposes to retain the funds.

A will not charge interest on a check issued by an agency for more than 180 days after the date of the check. Disallowances of interest are between October 1, 1980 and October 1, 1981.

June 27, 1983]

Treatment of uncashed or cancelled (voided) Medicaid checks.

Scope. This section provides the means to ensure that States refund the appropriate portion of uncashed or cancelled (voided) checks under title XIX, Part A. As used in this section—

(voided) check means a Medicaid check issued by a State or fiscal agent prior to its being cashed in which the State or fiscal agent has thus prevented disbursement.

Check or warrant means a check or warrant that a local agency uses to make a payment.

Entity means an entity that a State pays vendor claims for the State agency.

Check means a Medicaid check issued by a State or fiscal agent that has not been cashed by the State.

Check means an order by which the State or local agency without the State's authority to issue checks recognizes. Presentation of a warrant to a payee by a State officer or agent to issue checks will result in the State's share of funds due.

Provision of Federal financial participation for uncashed checks—(1) Disallowance. If a check remains uncashed beyond a period of 180 days after the date it was issued, i.e., the date the check was issued, it will no longer be eligible for an allowable program expenditure if the State has claimed and paid for the amount of the uncashed check, it must refund the amount of FFP received.

Refund of refund. At the end of each calendar quarter, the State must refund the amount of the uncashed checks which remain uncashed for a period of 180 days after

issuance. The State agency must refund all FFP that it received for uncashed checks by adjusting the Quarterly Statement of Expenditures for that quarter. If an uncashed check is cashed after the refund is made, the State may file a claim. The claim will be considered to be an adjustment to the costs for the quarter in which the check was originally claimed. This claim will be paid if otherwise allowed by the Act and the regulations issued pursuant to the Act.

(3) If the State does not refund the appropriate amount as specified in paragraph (c)(2) of this section, the amount will be disallowed.

(d) Refund of FFP for cancelled (voided) checks—(1) General provision. If the State has claimed and received FFP for the amount of a cancelled (voided) check, it must refund the amount of FFP received.

(2) Report of refund. At the end of each calendar quarter, the State agency must identify those checks which were cancelled (voided). The State must refund all FFP that it received for cancelled (voided) checks by adjusting the Quarterly Statement of Expenditures for that quarter.

(3) If the State does not refund the appropriate amount as specified in paragraph (d)(2) of this section, the amount will be disallowed.

[51 FR 36227, Oct. 9, 1986]

Subpart B—General Administrative Requirements State Financial Participation

SOURCE: 57 FR 55138, Nov. 24, 1992, unless otherwise noted.

§433.50 Basis, scope, and applicability.

(a) Basis. This subpart interprets and implements—

(1) Section 1902(a)(2) of the Act, which requires States to share in the cost of medical assistance expenditures and permits both State and local governments to participate in the financing of the non-Federal portion of medical assistance expenditures.

(2) Section 1903(a) of the Act, which requires the Secretary to pay each State an amount equal to the Federal medical assistance percentage of the

total amount expended as medical assistance under the State's plan.

(3) Section 1903(w) of the Act, which specifies the treatment of revenues from provider-related donations and health care-related taxes in determining a State's medical assistance expenditures for which Federal financial participation (FFP) is available under the Medicaid program.

(b) Scope. This subpart—

(1) Specifies State plan requirements for State financial participation in expenditures for medical assistance.

(2) Defines provider-related donations and health care-related taxes that may be received without a reduction in FFP.

(3) Specifies rules for revenues received from provider-related donations and health care-related taxes during a transition period.

(4) Establishes limitations on FFP when States receive funds from provider-related donations and revenues generated by health care-related taxes.

(c) Applicability. The provisions of this subpart apply to the 50 States and the District of Columbia, but not to any State whose entire Medicaid program is operated under a waiver granted under section 1115 of the Act.

[57 FR 55138, Nov. 24, 1992; 58 FR 6095, Jan. 26, 1993]

§433.51 Public funds as the State share of financial participation.

(a) Public funds may be considered as the State's share in claiming FFP if they meet the conditions specified in paragraphs (b) and (c) of this section.

(b) The public funds are appropriated directly to the State or local Medicaid agency, or transferred from other public agencies (including Indian tribes) to the State or local agency and under its administrative control, or certified by the contributing public agency as representing expenditures eligible for FFP under this section.

(c) The public funds are not Federal funds, or are Federal funds authorized by Federal law to be used to match other Federal funds.

[57 FR 55138, Nov. 24, 1992; 58 FR 6095, Jan. 26, 1993]

§433.52 General definitions.

As used in this subpart—

Kennedy, Debora

From: Bove, Fredi-Ellen
Sent: Wednesday, January 03, 2001 10:35 AM
To: Kennedy, Debora
Cc: Gebhart, Neil; Miller, Anne; Bartels, Peggy; Bormett, Michael; Lund, C. David; Vavra, James; Kraus, Jennifer; Mullikin, Melissa
Subject: Stat. Language Request for IGT Appropriation

Melissa Mullikin of DOA forwarded to DHFS the following questions you had regarding the stat. language request for Appropriation for IGT program funds:

1. Debora needs a way of describing what the money going into the trust fund is.
2. How much of the current IGT funds will go into the trust fund. Will any IGT go directly into 4(b)? *No*
3. Is it DHFS's understanding that we'd have at least two numerics in the trust fund: one for administrative expenses and one for MA benefits?
4. What is DHFS's intention regarding the IGT language currently in statute (49.45 (6u))?

DHFS staff spent considerable time discussing these questions yesterday and this morning. Because of the complexity of the IGT program, we concluded that the most effective way to respond would be to meet with you to discuss these questions. This would enable you to ask follow-up and clarifying questions and would also enable us to explore together what the possible and most appropriate approaches are regarding cross-references to other state statutory provisions, federal regulations, etc. DOA (Melissa Mullikin) concurs that we should address these questions in a meeting. We realize that you are extremely busy right now. In light of your workload, we can accommodate your preference as to meeting date, time, and place (e.g., we can meet at LRB if that is easier for you.) Please let me know when you would like to meet on this subject and we can proceed with scheduling the appropriate DHFS staff to attend the meeting. Melissa Mullikin will also plan to attend the meeting, if her schedule permits. Thank you.

1/4/01 Fredi Bove, Melissa M., Mike Barnett

① Money that goes into trust fund: Mike Barnett

For fy 01 ~~02~~

1. DHFS will ask cos to borrow 637,000,000

2. Those cos will transfer \$ to a state acct in same bank from wh | get loan

3. Bank transfers \$ to state acct. in bank

42 CFR

433.51

~~433.51~~

4. DHFS makes MA payout to who operated by cos. - state plan approved → 637,000,000

Permissible
sources of
non-federal
share

Payment becomes elig. for ffp

State makes claim for 377,000,000 Fed \$

Occurs on same day

Underneath
overall
Medicare
cap

5. Money into trust fund ~~is~~ is that which bank has transferred to state account

6. Trust fund disperses \$ to cos.

7. Federal ffp match goes to trust fund

② Add references to (4)(b) + (c) throughout

③ They want only one numeric, even though will have admin. costs re banking transaction

Will call it aids - 46.46

costs exclusively related to the operational costs of claiming federal funding

✓ ④ 49.45 (low) (intro) - Nevada amendment - want to eliminate in separate legis. before budget

Kennedy, Debora

From: Bove, Fredi-Ellen
Sent: Friday, January 05, 2001 11:15 AM
To: Kennedy, Debora
Cc: Gebhart, Neil; Miller, Anne; Reinardy, Susan; Thompson, Cheryl; Bartels, Peggy; Bormett, Michael; Lund, C. David; Kraus, Jennifer; Mullikin, Melissa
Subject: IGT Appro. Stat. Language: Follow-up

Based on further discussion among DHFS staff following this morning's conference call, DHFS recommends that the 01-03 biennial budget IGT Appropriation statutory language request include the elimination of s. 49.45 (6u) effective July 1, 2000.

In short, we concluded that it was appropriate to eliminate s.49.45 (6u) in its entirety. As we discussed, we will pursue the elimination of (6u) as separate legislation prior to the biennial budget. For the reasons discussed in the conference call, we also wish to include the elimination of (6u) on a retroactive basis in the biennial budget statutory language.

Thank you for your assistance in drafting this provision.

DEPARTMENT OF HEALTH AND FAMILY SERVICES
Office of Strategic Finance
OSF-214(2/99)

STATE OF WISCONSIN

FACSIMILE COVER MESSAGE
(608) 267-0358 (FAX #)

TO: DEBORA KENNEDY
FROM: FRED BOVE

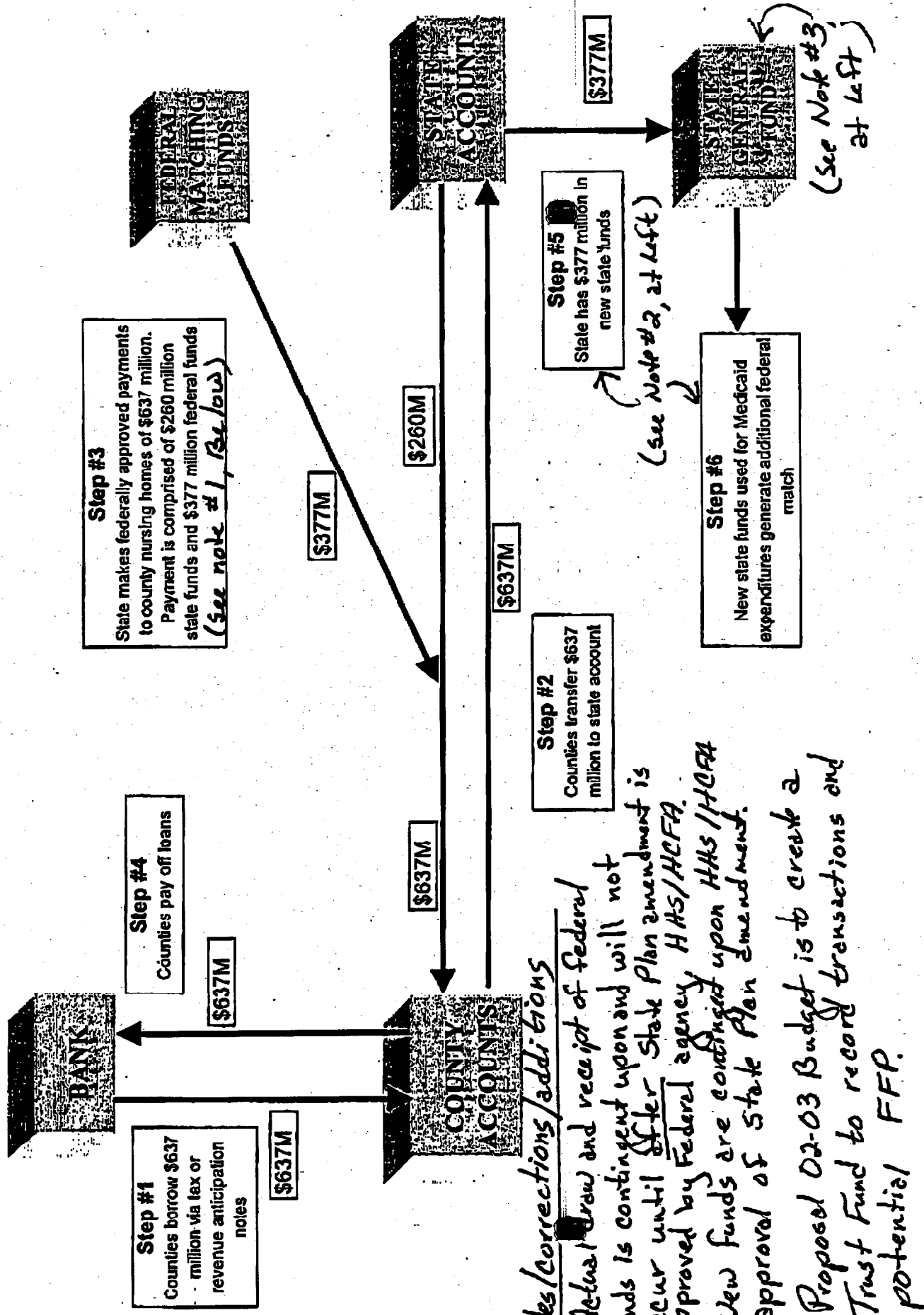
Number of Pages (includes cover sheet): 2

Comments: PER THIS MORNING'S DISCUSSION,
ATTACHED IS THE "FLOW CHART".

If a problem occurs with transmission, please contact Bonnie Niemann at 266-3816.

OFFICE OF STRATEGIC FINANCE
1 WEST WILSON STREET
P.O. BOX 7850
MADISON, WI 53707-7850

WISCONSIN INTERGOVERNMENTAL TRANSFER USING TRANSACTION LEVEL OF \$637 MILLION WITH 60% FEDERAL MATCHING RATE





DAK...
king

D-NOTE

LPS: Fee request sheet

DOA:.....Mullikin - Appropriation for Intergovernmental Transfer Program
Funds

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

*DON'T
GEN-CAT.*

1 AN ACT relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current federal law, medical assistance (MA) is a jointly-funded federal-state program; federal funds (known as "federal financial participation") are provided to match state funds expended for MA. Public funds that are not federal funds that are transferred to the state, and that are expended for MA purposes may be considered as the state's share in claiming federal financial participation.

This bill creates a separate, nonlapsible trust fund, designated as the MA trust fund, from moneys received as federal financial participation to match public moneys appropriated to the state as the state share of financial participation under the MA program. The moneys are appropriated to meet costs of MA and the operational costs of augmenting federal financial participation.

Under current law, DHFS may, in each fiscal year, distribute up to \$38,600,000 received as federal financial participation to supplement payments under MA in order to reduce operating deficits of county, city, village, or town nursing homes. DHFS must also distribute for this purpose additional moneys received as federal financial participation that were not anticipated before enactment of the biennial budget act or before enactment of other legislation that affects the appropriation of

1
2
State

JCF such federal moneys. The distribution of these supplemental payments is made under a method that includes consideration of the size of a nursing home's operating deficit and an agreement by the affected county, city, town, or village to provide funds to match the federal moneys. DHFS must revise the method, for approval by ~~the joint committee on finance~~, if the federal department of health and human services approves a lesser amount of federal moneys for expenditure. If the federal department of health and human services disallows use of the federal moneys for the purpose of these supplemental payments, DHFS must reduce allocations to counties and a city, town, or village that owns or operates a nursing home that has received funds must reimburse the county in which the city, town, or village is located.

ON This bill retroactively eliminates the program under which DHFS distributes federal moneys received as federal financial participation to supplement payments under MA to reduce operating deficits of county, city, town, or village nursing homes, effective July 1, 2000.

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 (4) (w) of the statutes is created to read:

2 20.435 (4) (w) *Medical assistance trust fund*. From the medical assistance trust
 3 fund, a sum sufficient for meeting costs of medical assistance administered under ss.
 4 46.27[✓], 46.275 (5)[✓], 46.278 (6)[✓], 46.283 (5)[✓], 46.284 (5)[✓], 46.485[✗], 49.45[✓], and 49.472 (6)[✓] and
 5 for costs that are exclusively related to the operational costs of augmenting the
 6 amount of moneys received under 42 CFR 433.51.

7 [→] ***** NOTE: BUD SECTION 2. 20.435 (8) (mm) of the statutes is amended to read:

8 20.435 (8) (mm) *Reimbursements from federal government*. All moneys
 9 received from the federal government, other than moneys described under ss. 46.45
 10 (2), 46.46, 49.45 (6u)[✓] and 49.49, that are intended to reimburse the state for
 11 expenditures in previous fiscal years from general purpose revenue appropriations
 12 whose purpose includes a requirement to match or secure federal funds and that
 13 exceeded in those fiscal years the estimates reflected in the intentions of the

1 legislature and governor, as expressed by them in the budget determinations, and
 2 the joint committee on finance, as expressed by the committee in any determinations,
 3 and the estimates approved for expenditure by the secretary of administration under
 4 s. 16.50 (2), for the purpose of paying federal disallowances, federal sanctions or
 5 penalties and the costs of any corrective action affecting the department of health
 6 and family services. Notwithstanding s. 20.001 (3) (c), at the end of each fiscal year,
 7 the amount determined by the department of administration under s. 16.54 (12) (d)
 8 shall lapse to the general fund.

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. 213, 233, 327; 1977 c. 354 s. 101; 1977 c. 359; 1977 c. 418 ss. 129 to 137, 924 (18) (d), 929 (55); 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 961r, 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, 52; 1997 a. 609; 1997 a. 35, 105, 231, 237, 280, 293; 1999 a. 5, 9, 32, 52, 84, 103, 109, 113, 133, 185, 186.

9 **SECTION 3.** 25.17 (1) of the statutes is created to read:

10 25.17 (1) ^(jv) Medical assistance trust fund (s. 25.77);

11 **SECTION 4.** 25.77 of the statutes is created to read:

12 **25.77 Medical assistance trust fund.** There is created a separate
 13 nonlapsible trust fund designated as the medical assistance trust fund, consisting
 14 of all moneys received under 42 CFR 433.51 to match public moneys appropriated
 15 to the state as the state share of financial participation.

16 **SECTION 5.** 46.27 (11) (c) 3. of the statutes is amended to read:

17 46.27 (11) (c) 3. Medical assistance reimbursement for services a county, a
 18 private nonprofit agency or an aging unit with which the department contracts
 19 provides under this subsection shall be made from the appropriations under s. 20.435
 20 (4) (o) [✓] and (w) and (7) (b) and (bd).

History: 1981 c. 20; 1983 a. 27; 1983 a. 189 s. 329 (5); 1983 a. 192, 239; 1985 a. 29 ss. 876s to 896am, 3200 (56); 1985 a. 120, 176; 1987 a. 27, 399; 1989 a. 31, 77, 336, 359; 1991 a. 32, 39, 235, 274; 1993 a. 16, 27, 437; 1995 a. 27; 1997 a. 13, 27, 39, 79, 237; 1999 a. 9, 63.

21 **SECTION 6.** 46.27 (11) (c) 4. of the statutes is amended to read:

1 46.27 (11) (c) 4. The department may, from the ~~appropriation~~ appropriations
 2 under s. 20.435 (4) (o) and (w), provide reimbursement for services provided under
 3 this subsection by counties that are in excess of the current average annual per
 4 person rate, as established by the department, and are less than or equal to the
 5 average amount approved in the waiver received under par. (am).

History: 1981 c. 20; 1983 a. 27; 1983 a. 189 s. 329 (5); 1983 a. 192, 239; 1985 a. 29 ss. 876s to 896am, 3200 (56); 1985 a. 120, 176; 1987 a. 27, 399; 1989 a. 31, 77, 336, 359; 1991 a. 32, 39, 235, 274; 1993 a. 16, 27, 437; 1995 a. 27; 1997 a. 13, 27, 39, 79, 237; 1999 a. 9, 63.

6 **SECTION 7.** 46.275 (5) (a) of the statutes is amended to read:

7 46.275 (5) (a) Medical assistance reimbursement for services a county, or the
 8 department under sub. (3r), provides under this program is available from the
 9 appropriations under s. 20.435 (4) (b) and ~~(o)~~ (o) and (w). If 2 or more counties
 10 jointly contract to provide services under this program and the department approves
 11 the contract, medical assistance reimbursement is also available for services
 12 provided jointly by these counties.

History: 1983 a. 27; 1985 a. 29 ss. 896b to 896L, 3202 (23); 1985 a. 120, 176; 1987 a. 27; 1987 a. 161 s. 13m; 1987 a. 186; 1989 a. 31; 1993 a. 16; 1995 a. 27, 77; 1997 a. 27, 114; 1999 a. 9.

13 **SECTION 8.** 46.275 (5) (c) of the statutes is amended to read:

14 46.275 (5) (c) The total allocation under s. 20.435 (4) (b) and ~~(o)~~ (o) and (w)
 15 to counties and to the department under sub. (3r) for services provided under this
 16 section may not exceed the amount approved by the federal department of health and
 17 human services. A county may use funds received under this section only to provide
 18 services to persons who meet the requirements under sub. (4) and may not use
 19 unexpended funds received under this section to serve other developmentally
 20 disabled persons residing in the county.

History: 1983 a. 27; 1985 a. 29 ss. 896b to 896L, 3202 (23); 1985 a. 120, 176; 1987 a. 27; 1987 a. 161 s. 13m; 1987 a. 186; 1989 a. 31; 1993 a. 16; 1995 a. 27, 77; 1997 a. 27, 114; 1999 a. 9.

21 **SECTION 9.** 46.275 (5) (d) of the statutes is amended to read:

22 46.275 (5) (d) The department may, from the ~~appropriation~~ appropriations
 23 under s. 20.435 (4) (o) and (w), provide reimbursement for services provided under

1 this section by counties that are in excess of the current average annual per person
2 rate, as established by the department, and are less than the average amount
3 approved in the waiver received under sub. (2).

History: 1983 a. 27; 1985 a. 29 ss. 896b to 896L, 3202 (23); 1985 a. 120, 176; 1987 a. 27; 1987 a. 161 s. 13m; 1987 a. 186; 1989 a. 31; 1993 a. 16; 1995 a. 27, 77; 1997 a. 27, 114; 1999 a. 9.

4 **SECTION 10.** 46.278 (6) (d) of the statutes is amended to read:

5 46.278 (6) (d) If a county makes available nonfederal funds equal to the state
6 share of service costs under the waiver received under sub. (3), the department may,
7 from the ~~appropriation~~ appropriations under s. 20.435 (4) (o) and (w), provide
8 reimbursement for services that the county provides under this section to persons
9 who are in addition to those who may be served under this section with funds from
10 the appropriation under s. 20.435 (4) (b).

History: 1987 a. 27, 186; 1989 a. 31; 1991 a. 269; 1993 a. 16; 1995 a. 27; 1997 a. 27; 1999 a. 9.

11 **SECTION 11.** 46.283 (5) of the statutes is amended to read:

12 46.283 (5) FUNDING. From the appropriation accounts under s. 20.435 (4) (b),
13 (bm) and ~~(pa)~~, ~~(pa)~~, and ~~(w)~~ and (7) (b), (bd)^v and (md), the department may contract
14 with organizations that meet standards under sub. (3) for performance of the duties
15 under sub. (4) and shall distribute funds for services provided by resource centers.

History: 1999 a. 9.

16 **SECTION 12.** 46.284 (5) (a) of the statutes is amended to read:

17 46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g) and
18 ~~(e)~~, ~~(o)~~, and ~~(w)~~ and (7) (b) and (bd), the department shall provide funding on a
19 capitated ^{plain} payment basis for the provision of services under this section.
20 Notwithstanding s. 46.036 (3) and (5m), a care management organization that is
21 under contract with the department may expend the funds, consistent with this
22 section, including providing payment, on a capitated basis, to providers of services
23 under the family care benefit.

History: 1999 a. 9

1 **SECTION 13.** 49.45 (5m) (am) of the statutes is amended to read:

2 49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriations under
3 s. 20.435 (4) (b) and ~~(e)~~, ~~(o)~~, and (w), the department shall distribute not more than
4 \$2,256,000 in each fiscal year, ^{plain} to provide supplemental funds to rural hospitals that,
5 as determined by the department, have high utilization of inpatient services by
6 patients whose care is provided from governmental sources, and to provide
7 supplemental funds to critical access hospitals, except that the department may not
8 distribute funds to a rural hospital or to a critical access hospital to the extent that
9 the distribution would exceed any limitation under 42 USC 1396b (i) (3).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 313, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

10 **SECTION 14.** 49.45 (5r) of the statutes is amended to read:

11 49.45 (5r) SUPPLEMENTAL PAYMENTS FOR HOSPITALS. From the appropriations
12 under s. 20.435 (4) (b) and ~~(e)~~, ~~(o)~~, and (w), the department shall distribute not more
13 than \$2,451,000, beginning on July 1, 2000, as a supplemental payment to a hospital
14 for which medical assistance revenues were at least 8% of the hospital's total
15 revenues in the most recent fiscal year prior to the year of payment. The department
16 shall calculate a qualifying hospital's supplemental payment amount by multiplying
17 the total amount by the percentage obtained by dividing the hospital's total medical
18 assistance revenues in the most recent prior fiscal year by the total amount of
19 medical assistance revenues for all qualifying hospitals for that period.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

20 **SECTION 15.** 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

1 49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this
2 subsection made under s. 20.435 (4) (b), (pa)[✓] or (o) shall, except as provided in pars.
3 (bg), and (bm) and (~~br~~)[✓], be determined according to a prospective payment system
4 updated annually by the department. The payment system shall implement
5 standards that are necessary and proper for providing patient care and that meet
6 quality and safety standards established under subch. II of ch. 50 and ch. 150. The
7 payment system shall reflect all of the following:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185. ✓

8 **SECTION 16.** 49.45 (6m) (br) of the statutes is repealed.

9 **SECTION 17.** 49.45 (6m) (k) of the statutes is amended to read: ^{and}

10 49.45 (6m) (k) Notwithstanding pars. (ag) to (b), ~~(bp) and (br) and (bz)~~^{plain}, the
11 department may participate in a demonstration project on case mix nursing home
12 reimbursement authorized under 42 USC 1315 (a) and may modify the payment
13 system under this section, on an experimental basis, as necessary for participation
14 in the demonstration project.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

15 **SECTION 18.** 49.45 (6t) (intro.) of the statutes is amended to read:

16 49.45 (6t) COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING
17 DEFICIT REDUCTION. (intro.) From the appropriation appropriations under s. 20.435
18 (4) (o) and (w), for reduction of operating deficits, as defined under criteria developed
19 by the department, incurred by a county department under s. 46.215, 46.22, 46.23[✓],
20 or 51.42 or by a local health department, as defined in s. 250.01 (4), for services
21 provided under s. 49.46 (2) (a) 4. d. and (b) 6. f., j., k,[✓] and L., 9,[✓] and 15., for case

1 management services under s. 49.46 (2) (b) 12. and for mental health day treatment
2 services for minors provided under the authorization under 42 USC 1396d (r) (5), the
3 department shall allocate up to \$4,500,000 in each fiscal year to these county
4 departments, or local health departments as determined by the department, and
5 shall perform all of the following:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

6 **SECTION 19.** 49.45 (6t) (d) of the statutes is amended to read:

7 49.45 (6t) (d) If the federal department of health and human services approves
8 for state expenditure in a fiscal year amounts under s. 20.435 (4) (o) and (w) that
9 result in a lesser allocation amount than that allocated under this subsection or
10 disallows use of the allocation of federal medicaid funds under par. (c), reduce
11 allocations under this subsection and distribute on a prorated basis, as determined
12 by the department.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

13 **SECTION 20.** 49.45 (6u) of the statutes is repealed.

14 **SECTION 21.** 49.45 (6v) (b) of the statutes is amended to read:

15 49.45 (6v) (b) The department shall, each year, submit to the joint committee
16 on finance a report for the previous fiscal year, except for the 1997-98 fiscal year, that
17 provides information on the utilization of beds by recipients of medical assistance in
18 facilities and a discussion and detailed projection of the likely balances,
19 expenditures, encumbrances and carry over of currently appropriated amounts in
20 the appropriation accounts under s. 20.435 (4) (b) and ~~(e)~~, ~~(o)~~, and (w).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

e
o
plain

854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

~~SECTION 22. 49.45 (6w) (intro.) of the statutes is amended to read:~~

~~49.45 (6w) HOSPITAL OPERATING DEFICIT REDUCTION. (intro.) From the appropriations and (w) ~~appropriation~~ under s. 20.435 (4) (o), for reduction of operating deficits, as defined under criteria developed by the department, incurred by a hospital, as defined under s. 50.33 (2) (a) and (b), that is operated by the state, established under s. 49.71 or owned and operated by a city or village, the department shall allocate up to \$3,300,000 in each fiscal year to these hospitals, as determined by the department, and shall perform all of the following:~~

~~History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.~~

SECTION 23. 49.45 (6w) (intro.) of the statutes is amended to read:

49.45 (6w) HOSPITAL OPERATING DEFICIT REDUCTION. (intro.) From the ~~appropriation~~ appropriations under s. 20.435 (4) (o) and (w), for reduction of operating deficits, as defined under criteria developed by the department, incurred by a hospital, as defined under s. 50.33 (2) (a) and (b), that is operated by the state, established under s. 49.71 or owned and operated by a city or village, the department shall allocate up to \$3,300,000 in each fiscal year to these hospitals, as determined by the department, and shall perform all of the following:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

SECTION 24. 49.45 (6w) (d) of the statutes is amended to read:

49.45 (6w) (d) If the federal department of health and human services approves for state expenditure in a fiscal year amounts under s. 20.435 (4) (o) and (w) that

1 result in a lesser allocation amount than that allocated under this subsection or
2 disallows use of the allocation of federal medicaid funds under par. (c), reduce
3 allocations under this subsection and distribute on a prorated basis, as determined
4 by the department.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

5 **SECTION 25. 49.45 (6x) (d)** of the statutes is amended to read:

6 49.45 (6x) (d) If the federal department of health and human services approves
7 for state expenditure in any state fiscal year amounts under s. 20.435 (4) (o) and (w)
8 that result in a lesser distribution amount than that distributed under this
9 subsection or disallows use of federal medicaid funds under par. (a), the department
10 of health and family services shall reduce the distributions under this subsection.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

11 **SECTION 26. 49.45 (6y) (a)** of the statutes is amended to read:

12 49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriations under s.
13 20.435 (4) (b) and ~~(o)~~, ~~(o)~~, and (w), the department shall distribute funding in each
14 fiscal year to provide supplemental payment to hospitals that enter into a contract
15 under s. 49.02 (2) to provide health care services funded by a relief block grant, as
16 determined by the department, for hospital services that are not in excess of the
17 hospitals' customary charges for the services, as limited under 42 USC 1396b (i) (3).
18 If no relief block grant is awarded under this chapter or if the allocation of funds to
19 such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the

1 department may distribute funds to hospitals that have not entered into a contract
2 under s. 49.02 (2).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

3 **SECTION 27. 49.45 (6y) (am)** of the statutes is amended to read:

4 **49.45 (6y) (am)** Notwithstanding sub. (3) (e), from the appropriations under s.
5 20.435 (4) (b), (h) and ~~(o)~~, ~~(o)~~, and (w), the department shall distribute funding in
6 each fiscal year to provide supplemental payments to hospitals that enter into
7 contracts under s. 49.02 (2) with a county having a population of 500,000 or more to
8 provide health care services funded by a relief block grant, as determined by the
9 department, for hospital services that are not in excess of the hospitals' customary
10 charges for the services, as limited under 42 USC 1396b (i) (3).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

11 **SECTION 28. 49.45 (6z) (a) (intro.)** of the statutes is amended to read:

12 **49.45 (6z) (a) (intro.)** Notwithstanding sub. (3) (e), from the appropriations
13 under s. 20.435 (4) (b) and ~~(o)~~, ~~(o)~~, and (w), the department shall distribute funding
14 in each fiscal year to supplement payment for services to hospitals that enter into a
15 contract under s. 49.02 (2) to provide health care services funded by a relief block
16 grant under this chapter, if the department determines that the hospitals serve a
17 disproportionate number of low-income patients with special needs. If no medical
18 relief block grant under this chapter is awarded or if the allocation of funds to such
19 hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department
20 may distribute funds to hospitals that have not entered into a contract under s. 49.02

1 (2). The department may not distribute funds under this subsection to the extent
2 that the distribution would do any of the following:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

3 SECTION 29. 49.45 (8) (b) of the statutes is amended to read:

4 49.45 (8) (b) Reimbursement under s. 20.435 (4) (b) and ~~(o)~~, ~~(o)~~, and (w) for
5 home health services provided by a certified home health agency or independent
6 nurse shall be made at the home health agency's or nurse's usual and customary fee
7 per patient care visit, subject to a maximum allowable fee per patient care visit that
8 is established under par. (c).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

9 SECTION 30. 49.45 (24m) (intro.) of the statutes is amended to read:

10 49.45 (24m) HOME HEALTH CARE AND PERSONAL CARE PILOT PROGRAM. (intro.)
11 From the appropriations under s. 20.435 (4) (b) and ~~(o)~~, ~~(o)~~, and (w), in order to test
12 the feasibility of instituting a system of reimbursement for providers of home health
13 care and personal care services for medical assistance recipients that is based on
14 competitive bidding, the department shall:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185.

15 SECTION 9423. Effective dates; health and family services.

16 (1) SUPPLEMENTAL MEDICAL ASSISTANCE PAYMENTS TO NURSING HOMES. The
17 treatment of sections 20.435 (8) (mm) and 49.45 (6m) (ag) (intro.), (br) and (k) and
18 (6u) of the statutes takes effect retroactively ~~to~~ July 1, 2000.

19 (END)

D-NOTE

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1627/P1dn

DAK...*kmg*

*no #
I may also have to
notwithstanding s. 20.001 (4) and
(5).*

To Jennifer Kraus, Melissa Mullikin, and Fredi Bove:

The following are questions that have arisen in the course of drafting this bill:

1. Is Wisconsin receiving any other federal financial participation under 42 CFR 433.51? It looks as if it is, at least under s. 46.278 (6) (d). If so, do you intend that all of that money ~~be~~ be deposited in the medical assistance trust fund? If you do not so intend, I must know for which program and how it is received, because s. 25.77 must contain an exception that refers to it.

2. I believe ^{that} understood from Jennifer that the state will receive moneys from the feds under 42 CFR 433.51 that will be deposited in another appropriation and thence deposited in the trust fund after the budget bill has been enacted. ~~I believe that~~ ^{I believe that}, if that is the case, I will have to refer to that transferring appropriation in s. 25.77 and will have to amend the appropriation to require that the transfer to the trust fund be made. Could you please confirm for me whether the receipt will be made as I have described and, if so, what the appropriation is?

3. In specifying the purpose for s. 20.435 (4) (w), I used as a model the language in s. 20.435 (4) (o), stats., but added references to statutory programs that reference s. 20.435 (4) (o). Section 20.435 (4) (o), stats., contains a reference to s. 49.665 (badger care), but I have noticed that s. 49.665, stats., itself has no corresponding reference to s. 20.435 (4) (o), stats. Do you want me to include badger care in the programs that s. 20.435 (4) (w) may be used to fund? Do you want a technical correction to s. 49.665, stats., to include reference to s. 20.435 (4) (o), stats.?

4. The July 1, 2000, retroactive repeal of s. 49.45 (6u), stats., only "works" if no moneys have been distributed to facilities under that subsection since July 1, 2000; is that the case? As I indicated on January 5, I am not at this time able to perform the research necessary to ~~ensure~~ that this retroactive repeal satisfies the criteria imposed by courts for such an action and therefore am unable to provide assurance that it is not vulnerable to suit.

5. Please review all of the following statutes to ascertain whether I should amend into any of them reference to s. 20.435 (4) (w), ss. 20.435 (7) (bd) and (kb), 46.27 (9) (a) and (10) (a) 1., 46.485 (2g) (intro.) and (3r), and 49.472 (6) (a) and (b), stats.

ensure

Please let me know if I may help further with this draft.

Debora A. Kennedy
Managing Attorney
Phone: (608) 266-0137
E-mail: debora.kennedy@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1627/P1dn
DAK.:kmg:pg

January 8, 2001

To Jennifer Kraus, Melissa Mullikin, and Fredi Bove:

The following are questions that have arisen in the course of drafting this bill:

1. Is Wisconsin receiving any other federal financial participation under 42 CFR 433.51? It looks as if it is, at least under s. 46.278 (6) (d). If so, do you intend that all of that money be deposited in the medical assistance trust fund? If you do not so intend, I must know for which program and how it is received, because s. 25.77 must contain an exception that refers to it.

2. I believe that I understood from Jennifer that the state will receive moneys from the feds under 42 CFR 433.51 that will be deposited in another appropriation and thence deposited in the trust fund after the budget bill has been enacted. I believe that, if that is the case, I will have to refer to that transferring appropriation in s. 25.77 and will have to amend the appropriation to require that the transfer to the trust fund be made. I may also have to notwithstanding s. 20.001 (4) and (5). Could you please confirm for me whether the receipt will be made as I have described and, if so, what the appropriation is?

3. In specifying the purpose for s. 20.435 (4) (w), I used as a model the language in s. 20.435 (4) (o), stats., but added references to statutory programs that reference s. 20.435 (4) (o). Section 20.435 (4) (o), stats., contains a reference to s. 49.665 (badger care), but I have noticed that s. 49.665, stats., itself has no corresponding reference to s. 20.435 (4) (o), stats. Do you want me to include badger care in the programs that s. 20.435 (4) (w) may be used to fund? Do you want a technical correction to s. 49.665, stats., to include reference to s. 20.435 (4) (o), stats.?

4. The July 1, 2000, retroactive repeal of s. 49.45 (6u), stats., only "works" if no moneys have been distributed to facilities under that subsection since July 1, 2000; is that the case? As I indicated on January 5, I am not at this time able to perform the research necessary to ensure that this retroactive repeal satisfies the criteria imposed by courts for such an action and therefore am unable to provide assurance that it is not vulnerable to suit.

5. Please review all of the following statutes to ascertain whether I should amend into any of them reference to s. 20.435 (4) (w): ss. 20.435 (7) (bd) and (kb), 46.27 (9) (a) and (10) (a) 1., 46.485 (2g) (intro.) and (3r), and 49.472 (6) (a) and (b), stats.

Please let me know if I may help further with this draft.

Debora A. Kennedy
Managing Attorney
Phone: (608) 266-0137
E-mail: debora.kennedy@legis.state.wi.us

Kennedy, Debora

From: Mullikin, Melissa
Sent: Saturday, January 13, 2001 3:07 PM
To: Kennedy, Debora
Cc: Kraus, Jennifer
Subject: IGT stat language

Hi Debora,

Attached are two documents that contain DOA and DHFS comments regarding the IGT statutory language draft. Please call or email Jenny or myself, if you have questions/concerns/etc.

Also, we wanted to let you know that DHFS will likely be initiating separate legislation to try to accomplish the FY01 fix so we don't have to rely on retroactive provisions in the budget. It will probably be a relatively simple draft: (1) Eliminate Ourada and (2) Delete \$38,600,000 from 6u and insert \$40,100,000. Increasing that dollar figure lets the dept. continue to pay out the Ourada amount in FY01, even if Ourada is deleted.

Thanks much,
Melissa



igt doadhts
comments.doc



igtinellg.doc

Melissa Mullikin
Executive Policy and Budget Analyst
State Budget Office
267-7980

Date: January 13, 2001

To: Debora Kennedy

From: Melissa Mullikin

Subject: IGT Draft

Thank you for the opportunity to comment on LRB-1627/P1. DOA and DHFS comments on the drafter's notes and draft are as follows.

Drafter's Notes

- ✓ 1. Yes, Wisconsin is receiving other federal financial participation under 42 CFR 433.51, such as our CSDRB program and our general relief program. The intention is that only the federal funding claimed under 42 CFR 433.51 related to MA nursing home payments go into the Medicaid Trust Fund. We concur that this proposal should distinguish that only federal financial participation under 42 CFR 433.51 related to nursing home payments goes into the Trust Fund.
- ✓ 2. Yes; your understanding is correct that prior to the effective date of this new provision, the state will receive moneys from the feds under 42 CFR 433.51. The funding will be deposited in appropriation 20.435 (4) (o). We concur that this statutory language proposal should permit the Department to transfer to the new Trust Fund the funding in appro. 20.435 (4)(o) that was received under 42 CFR 433.51 related to nursing home payments.
- ✓ 3. Yes, we want BadgerCare as one of the programs that can be funded with the new appropriation 20.435 (4)(w). Therefore you should include a reference to s.49.665.
- ✓ 4. Thank you for bringing this issue to our attention. We did make a payment under s.49.45(6u) in December 2000. For this reason we recommend changing the "retroactive" effective date to January 1, 2001. *DK - clarify that now they just want an amendment*
- ✓ 5. The new appropriation 20.435 (4)(w) will be used as an alternative funding source to the GPR-funded portion of all MA programs and BadgerCare. Therefore, you should include a reference to all of the statutes cited in your comment.
General Comments
- ✓ 1. Section 49.45(6u): Based on further discussions with the counties and nursing home associations, we have decided to amend (6u), rather than eliminate it. Our recommended revision is as follows:

↗ Insert the following as the first sentence under (6u): In fiscal years when the Department receives less than \$115,200,000 federal funding under 42 CFR 433.51 related to nursing homes, the following provisions apply (all except Ourada amendment).

DN ↗ In (6u)(a), (b), (b)1., and (b)3., after the phrase "operating deficits" insert the clause: "based on the methodology used by the Department as of December 2000".

↗ Add a new section to (6u): In fiscal years when the Department receives \$115,200,000 or more in federal funding under 42 CFR 433.51 related to nursing homes, the Department may not distribute to these facilities more than \$77,100,000 in each fiscal year.

↗ Retroactively repeal the Ourada amendment back to January 1, 2001. Other modifications would be effective upon passage.

Explanation: We wish to preserve the current IGT allocation methodology (except for the Ourada amendment) to county and municipal nursing homes if the federal government does not approve our proposed new IGT approach. If we receive federal approval for the new IGT approach, which results in a significantly higher level of federal funds, we will distribute \$77.1 million to county and municipal nursing homes based on a new allocation methodology. The new allocation methodology will not be defined in statute. It will be specified in the MA state plan.

Our comments below reflect this new approach.

↗ 2. The new appropriation 20.435 (4)(w) will be used to fund the GPR, not the FED, portion of MA payments. Therefore 20.435 (4)(w) is an alternative funding source to 20.435 (4)(b), not 20.435 (4)(o). Our comments below reflect this.

Comments on Draft

Section 1:

DK check again ↗ The new appropriation 20.435(4)(w) would not be a sum sufficient appropriation. Please correct the language in line 3 to reflect this. The appropriation should be a continuing appropriation.

Section 2:

➤ Does not need to be amended due to the fact that 49.45(6u) will be retained in a revised form.

Section 4:

➤ The Trust Fund will receive two "types" of funding: (1) funding transferred from the counties, which is then used to make a payment to nursing homes in those counties; and (2) federal funding claimed under the IGT program for nursing homes. We recommend that the final clause of section 4—"to match public moneys

appropriated to the state as the state share of financial participation"—be eliminated as it is not applicable to the first type of funding, the county transfer funds, that will be deposited in the Trust Fund. The intent is that the county transfer funds go into the Trust Fund. We believe that this recommended change will accomplish this. Is that correct? If not, we would need to develop an alternate way of defining the county transfer funds and directing these funds into the Trust Fund. Please advise us if you have suggestions on this point.

✓ Sections 5, 6, 9, 10, 18, 19, 22, 23, and 24

- Do not need to be amended because 20.435 (4)(w) is not an alternative funding source for 20.435 (4)(o) -the federal portion of MA.

✓ Section 16

- Should not be repealed because (6u) will be retained in a revised form.

✓ Section 17 ^{15 and}

- Should not be amended because (6m)(br) will be retained.

✓ Section 20:

- Do not repeal (6u). Instead, revise (6u) as described in General Comments.

Thank you for your assistance on this statutory language draft.

SECTION 1. 20.435 (4) (w) of the statutes is created to read:

20.435 (4) (w) *Medical assistance trust fund*. From the medical assistance trust fund, a sum sufficient for meeting costs of medical assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5), 46.485, 49.45, and 49.472 (6) and for costs that are exclusively related to the operational costs of augmenting the amount of moneys received under 42 CFR 433.51.

- ✓ • Do we want the IGT appropriation to be "sum sufficient?" I would think that the amount of funding available from this appropriation would be limited to the amounts transferred by counties plus the federal match on those transferred funds.
- ✓ • It's unclear why the particular statutory cross-references in the appropriation language ("for meeting costs of medical assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5), 46.485, 49.45, and 49.472 (6)") were chosen. This particular list does not appear in any other statute. If we want the monies in the trust fund to be available for all of the same purposes for which other Medicaid funds are available, why don't we borrow the language from s. 20.435(4)(o)? ("All federal moneys received for meeting costs of medical assistance administered under ss. 46.284(5), 49.45 and 49.665, to be used for those purposes.")
- ✓ • We may want to consider changing the passage "for costs that are exclusively related to the operational costs of augmenting the amount of moneys received under 42 CFR 433.51" to read something like "for administrative costs associated with augmenting the amount of federal moneys received based on public funds transferred under 42 CFR 433.51(b)."

SECTION 3. 25.17 (1) (jv) of the statutes is created to read:

25.17 (1) (jv) *Medical assistance trust fund* (s. 25.77);

SECTION 4. 25.77 of the statutes is created to read:

25.77 *Medical assistance trust fund*. There is created a separate nonlapsible trust fund designated as the medical assistance trust fund, consisting of all moneys received under 42 CFR 433.51 to match public moneys appropriated to the state as the state share of financial participation.

- We might want to change the language "all moneys received under 42 CFR 433.51 to match public moneys appropriated to the state as the state share of financial participation" to read something like "all federal moneys received based on public funds transferred or certified under 42 CFR 433.51(b) and used as the non-federal share of medical assistance funding."

that
all

SECTION 16. 49.45 (6m) (br) of the statutes is repealed.

SECTION 20. 49.45 (6u) of the statutes is repealed.

SECTION 9423 Effective dates; health and family services.

(1) SUPPLEMENTAL MEDICAL ASSISTANCE PAYMENTS TO NURSING HOMES. The treatment of sections 20.435 (8) (mm) and 49.45 (6m) (ag) (intro.), (br), and (k) and (6u) of the statutes takes effect retroactively to July 1, 2000.

- We might want to consider making this an initial applicability rather than an effective date provision, and wording it something like "The treatment of sections 20.435 (8) (mm) and 49.45 (6m) (ag) (intro.), (br), and (k) and (6u) of the statutes first applies to funds transferred and received during a Medicaid plan year in effect on the effective date of this section."