

2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB55)

Received: **06/21/2001**

Received By: **malaigm**

Wanted: **As time permits**

Identical to LRB:

For: **Assembly Republican Caucus 7-4887**

By/Representing: **Hughes**

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

Drafter: **malaigm**

May Contact: **LFB**
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Addl. Drafters:

Subject: **Children - out-of-home placement**
Public Assistance - med. assist.

Extra Copies:

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Submit via email: **NO**

Requester's email:

Pre Topic:

ARC:.....Hughes - AM22,

Topic:

Income augmentation revenues lapses

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>
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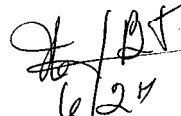
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FE Sent For:

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ARC Amendment # 22

ARC Health Care Working Group Package

Budget Package Components:	Savings and (Spending)
<p>1. Increase the co-payment for MA participants for name brand drugs from \$1 to \$2. Currently, MA participants pay \$1 for brand name and \$1 for generic. There is a \$5 a month cap on co-payments. (Ladwig Proposal)</p>	<p>\$1.7 million GPR-REV</p>
<p>2. Reduce Disproportionate Share Hospital payments</p>	<p>\$1 million GPR</p>
<p>3. Income Augmentation (LFB Paper 462):</p> <p>Income Augmentation funds are unanticipated federal funds DHFS receives under Titles IV-E (foster care), XVIII (Medicare) and XIX (MA) of the federal Social Security Act as reimbursement for costs that were initially paid with state or local revenue, or revenue from one of these sources that would not otherwise have been available, had it not been for activities conducted specifically to augment federal income.</p> <p>DHFS currently contracts with a private firm, Maximus, Inc., to conduct activities that will increase the amount of revenue the state receives under these federal programs. Maximus assists counties and DHFS in identifying costs that were paid with county or state funds that could have been claimed for federal reimbursement.</p> <p>✓ Alternative 1: Required DHFS to lapse \$6.75 million in income augmentation revenues by June 30, 2003.</p> <p>JFC required DHFS to lapse only \$3.85 million in income augmentation revenues by June 30, 2003.</p> <p>✓ This motion requires DHFS to lapse the remaining \$2.9 million by June 30, 2003.</p>	<p>\$ 2.9 million GPR</p>
<p>G-MM Statewide Automated Child Welfare Information System (LFB Paper 508, Alternative 1):</p> <p>The federal Omnibus Budget Reconciliation Act of 1993 authorized DHHS to provide states enhanced matching funds to support the costs of Creating a statewide-automated child welfare information system. In Wisconsin, SACWIS is referred to as WISACWIS.</p> <p>Under current law, DHFS may distribute excess Title IV-E funds to non-Milwaukee counties that are making a good faith effort to implement WISACWIS by July 1, 2005.</p> <p>✓ Alternative 1: Approved Governor's recommendations. In addition, lapse \$7,002,000 in 2001-03 of federal income augmentation revenues to</p>	

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	<p>the general fund.</p> <p>JFC lapsed \$5,702,000.</p> <p>This motion lapses the remaining \$1.3 million.</p>	\$1.3 million GPR
MM	<p>4. Milwaukee Child Welfare (Paper 507, Alternative 3): Reduces funding in the bill by \$1.4 million GPR to provide a 100% increase to base funding for supplies and services.</p>	\$1.4 million GPR
DAK	<p>5. Provider Fraud and Abuse (LFB Paper 478, Alternative 1): Governor's Recommended Statutory Changes-</p> <ul style="list-style-type: none"> - Limit on the Number of Certified MA Providers - Recoveries and Opportunity for a Hearing - Fees for Repeat Offenders - Restriction on Provider's Participation - Require Surety Bond as a Condition of Certification - Certification of Overpayments to DOR - Transfer of Business Operations - DHFS Access to Provider Personnel and Records - DHFS Authority to Subpoena Providers <p>Approve all of the Governor's recommended statutory changes and reduce MA benefits finding by \$86,600 GPR and \$120,900 FED in 2002-03 to reflect projected savings in MA benefit costs that would be realized with these changes.</p>	\$86,600 GPR
ISR	<p>6. Income Limit for Medically Needy Recipients (LFB Paper 481, Alternative 2): Deletes Alternative 2 and language related to income limit for medically needy recipients.</p>	\$500,000 GPR
DAK	<p>7. Community Support Program: This county-administered program provides community-based, individualized services, including coordinated care, treatment, rehabilitation and support services, to adults with severe and persistent mental illness. Currently, there are 112 community support programs in Wisconsin, of which 82 are MA certified. Deletes JFC provision, Page 445.</p>	\$2 million GPR
DAK	<p>8. Substance Abuse Service Grants: Remove \$2 million from Joint Finance budget to the Substance Abuse Services Grants. (LFB Summary Page 445, #7)</p>	\$2 million GPR
ISR	<p>9. Asset Limit for Low-Income Families: Remove JFC language eliminating the MA Asset Limit for Low Income Families (LFB pg. 393, #13)</p>	\$736,000 GPR
PSK	<p>10. Percentage-Expressed Child Support Orders: Include LRBs0112/3 relating to Percentage-Expressed Child Support Orders and change language to appropriate \$1 million GPR for this provision. <i>Without this provision, Wisconsin will continue to lose federal performance incentive money.</i></p>	(\$1 million GPR)
GMM	<p>11. Child Care Resource and Referral Agencies: Restore \$400,000 per year to the Child Care Resource and Referral Agencies in order to bring spending back to base. (99-00 base with a \$55,000 per year increase)</p>	(\$800,000 GPR)
DAY	<p>12. Provide \$200,000 in 2002-2003 for enhanced care for people with AIDS Allocate these dollars to the Life Care Services Grant within DHFS</p>	(\$200,000 GPR)



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 21, 2001

Joint Committee on Finance

Paper #462

Income Augmentation Revenue (DHFS -- Departmentwide and Management and Technology)

CURRENT LAW

Income augmentation funds are unanticipated federal funds the Department of Health and Family Services (DHFS) receives under Titles IV-E (foster care), XVIII (Medicare) and XIX (medical assistance) of the federal Social Security Act as reimbursement for costs that were initially paid with state or local revenue, or revenue from one of these sources that would not otherwise have been available, had it not been for activities conducted specifically to augment federal income.

DHFS currently contracts with a private firm, Maximus, Inc., to conduct activities that will increase the amount of revenue the state receives under these federal programs. Maximus assists counties and DHFS in identifying costs that were paid with county or state funds that could have been claimed for federal reimbursement.

Under federal law, there are no restrictions on the use of income augmentation revenue. These funds can be expended by the state for any purpose. Under the terms of the contract with Maximus, DHFS pays the first 10% of the total amount of income augmentation revenues the state claims to Maximus.

Current law specifies that income augmentation revenues can be expended in the following manner:

Title IV-E Income Augmentation Revenue to the Counties. After accounting for the 10% fee paid to Maximus, any additional income augmentation revenue claimed under Title IV-E must *first* be used to meet the state's commitment to fund the basic county allocation under community aids with revenue claimed under Title IV-E. Once the state's commitment to fund the basic county allocation is met, current law provides that at least 50% of the remaining Title IV-E

income augmentation funds are distributed to counties (other than Milwaukee County) as "incentive funds." (In Milwaukee County, DHFS, rather than Milwaukee County, generates Title IV-E claims because DHFS administers the child welfare system in that county.) Counties must expend the incentive funds on projects to assist children and families. At least 50% of the incentive funds must be expended for services for children who are at risk of abuse or neglect to prevent the need for child abuse and neglect intervention services. Counties may not use these funds to supplant other funds expended by a county for services and projects to assist children and families.

Income Augmentation Revenue Expended by DHFS. Income augmentation revenues that are not provided to counties as community aids or Title IV-E incentive funds are deposited in a DHFS federal continuing appropriation and can be expended by DHFS in the following manner:

- DHFS may expend income augmentation funds to support costs that are exclusively related to the operational costs of income augmentation activities that are not paid to Maximus under its contract. These costs could include salaries for limited-term employees, federal claims processing costs, rent, telephone services and miscellaneous supplies and services.

- If DHFS proposes to expend any income augmentation revenues for any purpose other than to support costs that are exclusively related to augmenting federal income, then DHFS is required to submit a proposed plan for the use of these remaining funds to the Department of Administration (DOA) by September 1 of the fiscal year after the fiscal year in which the revenues were received. If DOA approves a plan, the DOA Secretary must submit it to the Joint Committee on Finance, by October 1 of that same fiscal year for approval under a 14-day passive review process.

GOVERNOR

No provision.

DISCUSSION POINTS

1. Approximately \$102 million in augmentation revenues have been received since these revenues were first identified in the 1997-99 biennial budget. This revenue has been expended for several of purposes, including: (a) county incentive funds and community aids base funding; (b) a variety of DHFS programs and services; (c) payments to Maximus, Inc.; (d) required lapses to the general fund. The following table identifies how much of the revenue has been spent for these purposes.

Use of Income Augmentation Revenues

County Incentive Funds and Community Aids	\$45,249,800
DHFS Programs and Services	16,372,800
Maximus Contract	9,728,900
General Fund Lapses	<u>30,891,000</u>
Total Income Augmentation Expenditures	\$102,242,500

2. It is estimated, based on preliminary reconciliation of county spending for calendar year 2000, that a total of \$6,750,000 in income augmentation revenue will be received in 2000-01 and can be used for any purpose. The final estimate of available revenues will not be available until July, 2001, when DHFS completes the final reconciliation of community aids expenditures for 2000.

3. The administration indicates that it intends to request, under the process for using income augmentation funds available under current law, approval to allocate \$2,933,700 of these revenues for costs associated with the Bureau of Milwaukee Child Welfare in the event Milwaukee County chooses not to renew contracts to provide services to children in out-of-home care in Milwaukee County for 2001. The County continues to provide services to children in out-of-home care under extensions of the 2000 contract. In that event, DHFS would be required to transition cases currently under the supervision of the County to private vendors. DHFS indicates that the Milwaukee County Board of Supervisors is not expected to make a decision on the contract until its June, 2001, meeting.

DHFS estimates the one-time cost of this transition would total \$2,933,700. Using income augmentation revenue for these costs would prevent the need to provide additional funding for these costs or DHFS from finding ways to absorb these costs within the amounts budgeted for the Bureau of Milwaukee Child Welfare.

4. The Committee could require DHFS to lapse \$6,750,000 in income augmentation revenues by June 30, 2003. Doing so would bypass the process in current law which requires an annual review of the proposed use of this revenue by DOA and the Committee before DHFS could spend it.

5. Alternatively, the Committee could require DHFS to lapse \$3,816,300 in income augmentation revenues by June 30, 2003 and retain \$2,933,700 in DHFS for use in funding transitional costs for the Bureau of Milwaukee Child Welfare in the event Milwaukee County does not renew its contracts for 2001. The Committee could direct DOA to place these funds in unallotted reserve for use only if the County does not renew its 2001 contract. If the County chooses to renew the contract, these revenues would lapse to the general fund.

6. If the Committee wants to ensure that income augmentation revenues are deposited

to the general fund in the future, it could delete the current provision that authorizes DHFS to use income augmentation revenue for purposes other than operational costs exclusively related to augmenting federal income. This would require DHFS to credit any additional income augmentation revenue to the general fund as GPR-earned revenue. Under this alternative, the Committee could maximize the amount of income augmentation revenue that would be deposited to the general fund, without affecting the current requirement that 50% of these revenue be provided to counties as incentive funds to ensure that counties continue to generate additional IV-E revenues.

7. Alternatively, the Committee could take no action and maintain the current process for using these revenues. If the current process is retained, for revenue received in 2000-01, DHFS would be required to submit a plan by September 1, 2001, to DOA for its approval. If DOA approves the plan, it must submit the plan to the Committee for its approval under a 14-day passive review by October 1, 2001.

ALTERNATIVES TO BILL

1. Require DHFS to lapse \$6,750,000 in income augmentation revenues by June 30, 2003.

<u>Alternative 1</u>	<u>GPR</u>
2001-03 REVENUE (Change to Bill)	\$6,750,000

2. Require DHFS to lapse \$3,816,300 in income augmentation revenues by June 30, 2003. Further, require that \$2,933,700 in income augmentation revenue be placed in unallotted reserve for costs associated with transferring cases of children in out-of-home care to private vendors in the event Milwaukee County chooses not to renew its contract for services.

<u>Alternative 2</u>	<u>GPR</u>
2001-03 REVENUE (Change to Bill)	\$3,816,300

3. In addition to Alternatives 1 or 2, delete the current provision authorizing DHFS to propose the use of income augmentation revenues for purposes other than operational costs exclusively related to augmenting federal income.

4. Maintain current law.

Prepared by: Rachel Carabell

Malaise, Gordon

From: Carabell, Rachel
Sent: Monday, May 21, 2001 8:52 PM
To: Malaise, Gordon
Subject: Income augmentation

Hi Gordon,

The Committee took action today on income augmentation, LFB paper #462. They adopted alternatives #2 and 3. Also, the Committee adopted motion #358, which would require DHFS to submit a proposal to DOA for the planned use of \$2,933,700 set aside for transitional costs associated with Milwaukee child welfare and prohibit DOA from approving the use of those funds without the approval of JFC under a 14-day passive approval process.

Therefore, I think the draft should delete s. 46.46(2) and create non-statutory language that would require DHFS to lapse \$3,816,300 in income augmentation revenues to the general fund by June 30, 2003 and lapse any funds that were set aside for the Milwaukee child welfare transition that were not approved by DOA and JFC under a 14-day passive approval process.

Let me know if you have any questions. Thanks. Rachel

Rachel Carabell
Legislative Fiscal Bureau
rachel.carabell@legis.state.wi.us
Phone: 608-266-3847



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 31, 2001

Joint Committee on Finance

Paper #508

Statewide Automated Child Welfare Information System (DHFS -- Children and Families)

[LFB 2001-03 Budget Summary: Page 390, #5]

CURRENT LAW

The federal Omnibus Budget Reconciliation Act of 1993 authorized the U.S. Department of Health and Human Services (DHHS) to provide states enhanced federal matching funds to support the costs of creating a statewide automated child welfare information system (SACWIS). The act authorized DHHS to provide 75% matching funds to support the costs to plan, design, develop and install a statewide, mechanized data collection and information retrieval system, including hardware costs. As a condition of receiving federal matching funds, states must ensure that their systems: (a) comply with DHHS regulations; (b) interface with state child abuse and neglect data collection systems and welfare data collection systems, to the extent practicable; and (c) provide more efficient, economical and effective administration of state child welfare programs, as determined by DHHS. DHHS may reimburse states for the ongoing data collection activities at a 50% matching rate, regardless of whether the systems are used for children in foster care and adopted children who are not eligible for Title IV-E.

In December, 1993, DHHS promulgated interim final rules that specify requirements for systems eligible for federal matching funds. Under these rules, as a condition of receiving enhanced federal matching funds, states must develop comprehensive child welfare data collection systems that include information on child welfare services, foster care and adoption assistance, promoting safe and stable families services and independent living. In addition, state systems must:

- Meet data collection and reporting requirements of the adoption and foster care analysis and reporting system (AFCARS);

- Provide for intrastate electronic data exchange with data collection systems operated under MA, child support enforcement and the national child abuse and neglect data system;
- Provide for automated data collection on all children in foster care under the responsibility of the state for the state child welfare agency;
- Collect and manage information necessary to facilitate delivery of child welfare services, family preservation and family support services, family reunification services and permanent placement;
- Collect and manage information necessary to determine eligibility for the foster care, adoption assistance and independent living programs and to meet case management requirements for these programs; and
- Ensure confidentiality and security of information.

In Wisconsin, SACWIS is commonly referred to as WISACWIS.

County Income Augmentation Funds. Under current law, DHFS may distribute excess Title IV-E funds to non-Milwaukee counties that are making a good faith effort, as determined by DHFS, to implement WISACWIS by July 1, 2005. Counties must use at least 50% of their income augmentation funds to support services for children who are at risk of abuse or neglect to prevent the need for child abuse and neglect intervention services. If a county does not fully implement WISACWIS in the county by July 1, 2005, DHFS may recover any income augmentation funds distributed to the county after June 30, 2001, by billing the county or deducting the county's basic county allocation in community aids.

GOVERNOR

Provide \$3,696,400 (\$947,300 GPR, \$772,400 FED and \$1,976,700 PR) in 2001-02 and \$3,877,400 (\$836,500 GPR, \$661,700 FED and \$2,379,200 PR) in 2002-03 and convert 1.83 FED positions to 1.83 GPR positions in 2001-02 to continue implementation of WISACWIS. The funding in the bill is intended to enable eight counties to implement WISACWIS in 2001-02 and an additional 20 counties to implement WISACWIS in 2002-03. Under the bill, counties would be expected to fund one-third of the projected one-time and ongoing costs. The remaining PR funding reflects increases in funding transferred between DHFS divisions.

Specify that counties may use up to 100% of the funds they receive under the income augmentation project (excess Title IV-E funds) to reimburse DHFS for the implementation costs of WISACWIS for the calendar year in which a county implements WISACWIS and in the two calendar year following implementation, notwithstanding current restrictions on the use of the funds. Create a continuing PR appropriation in DHFS to receive the county's share of WISACWIS implementation funds.

DISCUSSION POINTS

1. The development and programming of WISACWIS has been completed as part of the state's activities to administer child welfare services in Milwaukee County. In 1996-97, DHFS was provided \$1,981,600 GPR and \$1,981,600 FED to begin development of an automated child welfare information system in preparation for the state's takeover of child welfare services in Milwaukee County beginning January 1, 1998. 1997 Wisconsin Act 27 (the 1997-99 biennial budget act) provided an additional \$2,236,400 GPR and \$6,436,400 FED in 1997-98 and \$1,643,600 GPR and \$1,643,600 FED in 1998-99 to fund the development of the system. 1999 Wisconsin Act 9 (the 1999-01 biennial budget act) provided \$1,704,800 GPR and \$1,456,700 FED in 1999-00 and \$1,965,300 GPR and \$1,717,300 FED in 2000-01 to continue development of the system. The first event of phase one (which encompasses the financial system in WISACWIS) was completed in January, 2000, and the second event (which includes the implementation of the case management function of WISACWIS) was completed in Milwaukee County in January, 2001. The Milwaukee child welfare system will be the basis for the implementation of WISACWIS in other counties.

2. Act 9 also provided \$2,500,000 (\$250,000 GPR, \$1,250,000 FED and \$1,000,000 PR) in 2000-01 to implement the system in nine pilot counties. These nine counties (Clark, Dane, Kenosha, Lafayette, Racine, Sheboygan, Waukesha, Waushara and Winnebago Counties) have participated in the initial planning and development of WISACWIS, along with Milwaukee County, and have contributed \$1,695,500 to develop the system.

3. The WISACWIS system in Milwaukee County is fully implemented. However, implementation has not yet begun in the remaining eight pilot counties. DHFS indicates this is because development of WISACWIS took longer than anticipated. The funding provided in Act 9 for implementation of WISACWIS in the eight pilot counties will be carried forward into the 2001-03 biennium to partially offset the statewide implementation costs.

4. To be eligible for the enhanced federal matching funds to finance the Milwaukee system, the state had to commit to implementing the Milwaukee system statewide. If the state does not develop a statewide system, DHFS would be required to return \$5,636,400 in enhanced federal matching fund to the federal government. In addition, the state would receive federal matching funds equal to 22%, rather than 50% of the operating costs of the Milwaukee information system and whatever system is implemented in participating counties.

5. DHFS has signed a contract with American Management Systems (AMS) to implement WISACWIS statewide. The contract amount is \$22,577,400 (all funds). AMS is responsible for implementing and coordinating the changes to the Milwaukee County WISACWIS system that are necessary to create a statewide system. Under the contract, WISACWIS will be implemented in nine counties in 2001-02, 31 counties in 2002-03 and 31 counties in 2003-04. The contract level reflects the cost estimate in the Governor's budget for WISACWIS.

6. The Department's current estimates of implementing WISACWIS, as indicated in

the AMS contract, are identified in the following table.

SACWIS Estimated Costs

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>
	(9 Counties)	(31 Counties)	(31 Counties)	
One Time Implementation Costs	\$12,437,100	\$8,177,000	\$5,407,000	\$77,400
Ongoing Costs	<u>2,958,400</u>	<u>4,044,100</u>	<u>4,295,500</u>	<u>4,489,500</u>
Total	\$15,395,500	\$12,221,100	\$9,702,500	\$4,566,900

The table shows that DHFS expects that the one-time costs of implementing WISACWIS will be approximately \$26,021,100 over three fiscal years, including \$12,437,100 in 2001-02 and \$8,177,000 in 2002-03. One-time costs include web-conversion, hardware, case conversions, application training, software licenses and telecommunication installations. In addition, the estimated ongoing operating costs of the system will be \$2,958,400 in 2002-03 and \$4,044,100 in 2002-03. Ongoing costs include services provided by the Department's business applications help desk, customer services, application development, county desktop support and county telecommunication charges.

County Share of Costs

7. Under the Governor's bill, counties would be responsible for funding one-third of the one-time and ongoing costs of the WISACWIS system. To assist in paying for these costs, the bill would allow counties to use up to 100% of their income augmentation allocation to reimburse DHFS for the implementation costs of WISACWIS.

8. However, in response to the pilot counties' concerns regarding the one-time costs of implementing WISACWIS, DHFS Secretary Dubé submitted a proposed revision to the Governor's bill in a letter dated May 14, 2001, to the Co-Chairs of the Joint Committee on Finance. In her letter, Secretary Dubé proposed to use new revenue from claiming federal MA for targeted case management for non-IV-E eligible children in the child welfare system to fund the counties' one-time implementation costs.

9. DHFS estimates that \$3,693,400 FED in 2001-02 and \$3,677,900 FED in 2002-03 will be claimed for targeted case management for non-IV-E eligible children in counties other than Milwaukee County. After adjusting for the one-time 10% fee for Maximus in 2001-02, \$3,324,100 FED would be available for expenditure in 2001-02 and \$3,677,900 FED in each year thereafter.

10. Under its revised proposal, the administration proposes to split the annual revenue from the MA targeted case management claiming between counties (50%) and the state (50%). Thus, in 2001-02, \$1,662,100 FED would be available for counties and \$1,839,000 FED in each year thereafter. In addition, \$1,662,100 in additional federal revenue would be available for the

state in 2001-02 and \$1,839,000 in each year thereafter.

11. Of the funds available to counties, the administration proposes that: (a) DHFS retain \$6,611,700 FED to offset the counties' allocated costs for implementation of WISACWIS; and (b) after the counties' share of the implementation costs are paid, DHFS would distribute the revenue to counties as part of their IV-E incentive funds.

12. Of the funds available to the state, the administration proposes that: (a) in 2001-02 and 2002-03, the funds would lapse to the general fund; and (b) in 2003-04 and each fiscal year thereafter, the revenue would be subject to the income augmentation provision (s. 46.46) which requires approval of the Department's proposed use of the funds by DOA and the Joint Committee on Finance. (However, as part of its deliberations on the 2001-03 budget, the Committee approved Alternative 3 in LFB Paper #462 that would repeal the process for allocating the state's share of the income augmentation funds.)

13. If the Committee approves the administration's revised recommendations, session law would need to be added to the bill that would direct DHFS to use 50% of the available MA targeted case management revenue to fund the county share of WISACWIS implementation costs. After full payment, DHFS would be required to distribute this funding to counties under the Title IV-E incentive funding provision under s. 46.45(2)(a) of the statutes.

14. In addition, if the Committee approves the administration's revised recommendations, PR funding for DHFS should be decreased by \$155,400 PR in 2001-02 and \$512,300 PR in 2002-03 to reflect that the county share of implementation costs would be budgeted in an existing FED appropriation.

15. Under the Governor's bill, counties may use up to 100% of the funds they received under the income augmentation project to reimburse DHFS for the implementation costs of WISACWIS. However, under the administration's revised recommendation, this change would not need to be made. Therefore, the Committee should delete this change from the bill.

ALTERNATIVES TO BILL

1. Approve Governor's recommendations. In addition, lapse \$3,324,100 in 2001-02 and \$3,677,900 in 2002-03 of federal income augmentation revenues to the general fund.

<u>Alternative 1</u>	<u>GPR-Lapse</u>
2001-03 REVENUE (Change to Bill)	\$7,002,000

2. Modify the Governor's recommendation to reflect the administration's revised proposal, which would: (a) lapse \$1,622,100 FED in 2001-02 and \$1,839,000 FED in 2002-03 to the general fund; (b) provide \$1,622,100 FED in 2001-02 and \$1,839,000 FED in 2002-03 to support the county share of WISACWIS implementation costs; (c) decrease funding by \$155,400

PR in 2001-02 and \$512,300 PR in 2002-03; and (d) adopt the statutory changes identified in discussion point 13. In addition, delete from the Governor's bill the language allowing counties to use 100% of their income augmentation funds to support implementation costs.

<u>Alternative 2</u>	<u>GPR-Lapse</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
2001-03 REVENUE (Change to Bill)	\$3,461,100	\$0	\$0	\$3,461,100
2001-03 FUNDING (Change to Bill)	\$0	\$3,461,100	-\$667,700	\$2,793,400

Prepared by: Yvonne M. Arsenault

2001

Date (time) needed 5:00 PM

LRB b 1423 / 1

**ARC CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]**

GMM : hmk :

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 SENATE BILL 55**

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

#. Page [✓]356, line [✓]19.: delete lines 19 to 22 and substitute: ✓

#. Page, line:

#. Page, line:

#. Page, line:

#. Page, line:

#. Page, line:

DOA:.....Fossum - Use of income augmentation funds for SACWIS
FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, the state receives federal foster care and adoption assistance funding under Title IV-E of the federal Social Security Act (generally referred to as "IV-E funds"), in reimbursement of moneys spent by the state and the counties for activities relating to foster care and the adoption of children. DHFS distributes IV-E funds as community aids to counties for the provision of social services to children and families. If on December 31 of any year there remains unspent or unencumbered in the community aids basic county allocation an amount that exceeds the amount of IV-E funds allocated as community aids in that year (excess IV-E funds), DHFS must carry forward to the next year those excess IV-E funds and distribute not less than 50% of those excess IV-E funds to counties other than Milwaukee County that are making a good faith effort to implement the statewide automated child welfare information system (generally referred to as "WISACWIS") for services and projects to assist children and families. Currently, a county is required to use not less than 50% of the excess IV-E funds distributed to that county for services and projects to assist children and families. This bill permits a county, in the calendar year in which the county implements WISACWIS and in the two calendar years after that calendar year, to use 100% of the excess IV-E funds distributed to that county to reimburse DHFS for the costs of implementing WISACWIS.

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:

702

1 SECTION 1. 20.435 (3) (j) of the statutes is created to read:

2 20.435 (3) (j) *Statewide automated child welfare information system receipts.*

3 All moneys received from counties under s. 46.45 (2) (a), for the costs of implementing
4 the statewide automated child welfare information system established under s.

5 46.03 (7) (g). "

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 SECTION 2. 46.45 (2) (a) of the statutes, as affected by 1999 Wisconsin Act 9, is
7 amended to read:

8 46.45 (2) (a) If on December 31 of any year there remains unspent or
9 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
10 amount received under 42 USC 670 to 679a and allocated under s. 46.40 (2) in that
11 year, the department shall carry forward the excess moneys and distribute not less
12 than 50% of the excess moneys to counties having a population of less than 500,000
13 that are making a good faith effort, as determined by the department, to comply with
14 s. 46.22 (1) (c) 8. f. for services and projects to assist children and families,
15 notwithstanding the percentage limit specified in sub. (3) (a). A county shall use not
16 less than 50% of the moneys distributed to the county under this subsection for
17 services for children who are at risk of abuse or neglect to prevent the need for child
18 abuse and neglect intervention services, except that in the calendar year in which
19 a county achieves compliance with s. 46.22 (1) (c) 8. f. and in the 2 calendar years after
20 that calendar year the county may use 100% of the moneys distributed under this

Page 369, line 11 delete lines 1 and 2 and substitute "be used as provided in s. 46.46."

Handwritten: (2: after that line insert?)
Handwritten: Page 571, line 3 delete lines 3 to 11 and substitute

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: (702)

1

SECTION 1. 20.435 (3) (j) of the statutes is created to read:

2

20.435 (3) (j) ~~Statewide automated child welfare information system receipts.~~

3

All moneys received from counties under s. 46.45 (2) (a), for the costs of implementing

4

the statewide automated child welfare information system established under s.

5

46.03 (7) (g).

~~NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.~~

15576

6

SECTION 2. 46.45 (2) (a) of the statutes, as affected by 1999 Wisconsin Act 9, is

7

amended to read:

8

46.45 (2) (a) If on December 31 of any year there remains unspent or

9

unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the

10

amount received under 42 USC 670 to 679a and allocated under s. 46.40 (2) in that

11

year, the department shall carry forward the excess moneys and distribute not less

12

than 50% of the excess moneys to counties having a population of less than 500,000

13

that are making a good faith effort, as determined by the department, to comply with

14

s. 46.22 (1) (c) 8. f. for services and projects to assist children and families,

15

notwithstanding the percentage limit specified in sub. (3) (a). A county shall use not

16

less than 50% of the moneys distributed to the county under this subsection for

17

services for children who are at risk of abuse or neglect to prevent the need for child

18

abuse and neglect intervention services, except that in the calendar year in which

19

a county achieves compliance with s. 46.22 (1) (c) 8. f. and in the 2 calendar years after

20

that calendar year the county may use 100% of the moneys distributed under this

1 paragraph to reimburse the department for the costs of achieving that compliance.
 2 If a county does not comply with s. 46.22 (1) (c) 8. f. before July 1, 2005, the
 3 department may recover any amounts distributed to that county under this
 4 paragraph after June 30, 2001, by billing the county or deducting from that county's
 5 allocation under s. 46.40 (2). All moneys received by the department under this
 6 paragraph shall be credited to the appropriation account under s. 20.435 (3) (j).

7

(END)

Page 1336, line 1: delete lines 1 to 23.

Page 1386, line 1: delete lines 1 to 6.

~~# Page 1386, line 7: delete "(b)"~~

Page 1385, line 24: delete the material beginning with "RECEIPTS." and ending with "Notwithstanding" on page 1386, line 7, and substitute "RECEIPTS. ^(CS) Notwithstanding"

Page 1386, line 8: delete "\$3,816,300"

and substitute "\$6,750,000".

Page 1387, line 5: delete that line and substitute "\$3,324,100 in fiscal year 2001-02 and \$3,677,900 in fiscal year 2002-03 in moneys".

Page 1387, line 8: delete lines 8 to 12 and substitute "reimbursement under 42 USC 670 to 679a".
(END)

27

Health Package

Assembly Republican Caucus
Corrections & Adjustments Package

1. DHFS – Income Augmentation

This motion provides an exemption to the elimination of the current statutory provision authorizing DIIFS to propose uses of income augmentation revenues. The exemption would allow DHFS to submit a proposal to use up to \$2,933,700 of income augmentation revenue that has not been designated to lapse to the General Fund for costs associated with the transition of child welfare cases from Milwaukee County to private vendors.

2. Handgun Purchaser Record Check Fee

The Caucus approved a motion to eliminate the Department of Justice's (DOJ) \$8 handgun purchaser's record check record fee. This motion specifies the lapse of \$369,400 (PR) to GPR and \$3,600 PR in each year of the biennia from the projected surplus in the DOJ Crime Laboratory account to offset the expense of the handgun purchaser's record check fee.

3. Prairie River Restoration Project

The Environment Working Group, as approved by the Caucus, included a provision to fund the Prairie River Restoration project. This motion specifies that funding for this project would come from the Stewardship Account.

~~Environment package~~

94

MGG
RNK

MM
Dak



DNVOTZ

RMR

ARC:.....Hughes – AM22, Income augmentation revenues lapses
FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION
CAUCUS ASSEMBLY AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55

and 2001 Wisconsin Act ... (this act), Section
9123 (8z)

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 356, line 19: delete lines 19 to 22 and substitute:
- 3 "SECTION 702f. 20.435 (3) (j) of the statutes is created to read:
- 4 20.435 (3) (j) *Statewide automated child welfare information system receipts.*
- 5 All moneys received from counties under s. 46.45 (2) (a), for the costs of implementing
- 6 the statewide automated child welfare information system established under s.
- 7 46.03 (7) (g)."
- 8 **2.** Page 369, line 1: delete lines 1 and 2 and substitute "be used as provided
- 9 in s. 46.46."
- 10 **3.** Page 571, line 2: after that line insert:

1 **“SECTION 1557b.** 46.45 (2) (a) of the statutes, as affected by 1999 Wisconsin Act
2 9, is amended to read:

3 46.45 (2) (a) If on December 31 of any year there remains unspent or
4 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
5 amount received under 42 USC 670 to 679a and allocated under s. 46.40 (2) in that
6 year, the department shall carry forward the excess moneys and distribute not less
7 than 50% of the excess moneys to counties having a population of less than 500,000
8 that are making a good faith effort, as determined by the department, to comply with
9 s. 46.22 (1) (c) 8. f. for services and projects to assist children and families,
10 notwithstanding the percentage limit specified in sub. (3) (a). A county shall use not
11 less than 50% of the moneys distributed to the county under this subsection for
12 services for children who are at risk of abuse or neglect to prevent the need for child
13 abuse and neglect intervention services, except that in the calendar year in which
14 a county achieves compliance with s. 46.22 (1) (c) 8. f. and in the 2 calendar years after
15 that calendar year the county may use 100% of the moneys distributed under this
16 paragraph to reimburse the department for the costs of achieving that compliance.
17 If a county does not comply with s. 46.22 (1) (c) 8. f. before July 1, 2005, the
18 department may recover any amounts distributed to that county under this
19 paragraph after June 30, 2001, by billing the county or deducting from that county's
20 allocation under s. 46.40 (2). All moneys received by the department under this
21 paragraph shall be credited to the appropriation account under s. 20.435 (3) (j).”.

22 ~~4. Page 1336, line 1: delete lines 1 to 23.~~ ✓

23 ~~5. Page 1386, line 1: delete lines 1 to 6.~~

1 ~~6. Page 1385, line 24: delete the material beginning with "RECEIPTS" and~~
2 ~~ending with "Notwithstanding" on page 1386, line 7, and substitute "RECEIPTS~~
3 ~~Notwithstanding"~~

4 ~~7. Page 1386, line 8: delete "\$3,816,300" and substitute "\$6,750,000"~~

5 **8.** Page 1387, line 5: delete that line and substitute "\$3,324,100 in fiscal year
6 2001-02 and \$3,677,900" in fiscal year 2002-03 in moneys".

7 **9.** Page 1387, line 8: delete lines 8 to 12 and substitute "reimbursement under
8 42 USC 670 to 679 a.".

9 (END)

D-NOTE

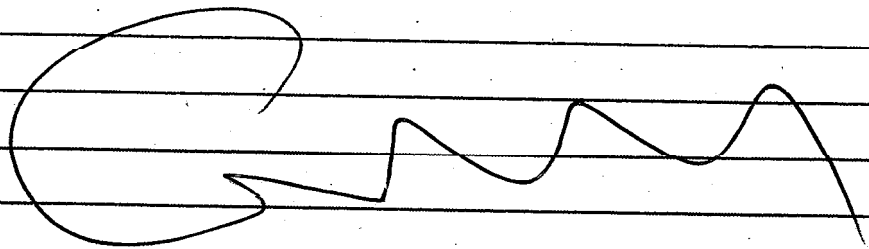
b1423/2

Carolyn:

Date

GMM:hmh

This redraft incorporates the DHFS - Income Augmentation item of the ARC Corrections + Adjustments Package. Specifically, the draft restores the JCF provision that permits DHFS to propose to expend \$ 2,933,700 in income augmentation revenues that were otherwise designated to lapse for costs associated with transitioning Milwaukee child welfare cases from Milwaukee County to private vendors.



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

LRBb1423/2dn
GMM:hmh:jf

June 27, 2001

Carolyn:

This redraft incorporates the DHFS–Income Augmentation item of the ARC Corrections & Adjustments Package. Specifically, the draft restores the JCF provision that permits DHFS to propose to expend \$2,933,700 in income augmentation revenues that were otherwise designated to lapse for costs associated with transitioning Milwaukee child welfare cases from Milwaukee County to private vendors.

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.state.wi.us

01/4/23/3

Rachel:

continue to lapse \$6,750,000, but
if receive any additional moneys above &
beyond lapse amount, DIFS may
expend up to \$3,933,700 for Milwaukee
child welfare transition.



DWYE

ARC:.....Hughes – AM22, Income augmentation revenues lapses
FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION
CAUCUS ASSEMBLY AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 356, line 19: delete lines 19 to 22 and substitute:

3 “SECTION 702f. 20.435 (3) (j) of the statutes is created to read:

4 20.435 (3) (j) *Statewide automated child welfare information system receipts.*

5 All moneys received from counties under s. 46.45 (2) (a), for the costs of implementing
6 the statewide automated child welfare information system established under s.
7 46.03 (7) (g).”.

8 2. Page 369, line 1: delete lines 1 and 2 and substitute “be used as provided
9 in s. 46.46 and 2001 Wisconsin Act (this act), section 9123 (8z).”.

10 3. Page 571, line 2: after that line insert:

1 **“SECTION 1557b.** 46.45 (2) (a) of the statutes, as affected by 1999 Wisconsin Act
2 9, is amended to read:

3 46.45 (2) (a) If on December 31 of any year there remains unspent or
4 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
5 amount received under 42 USC 670 to 679a and allocated under s. 46.40 (2) in that
6 year, the department shall carry forward the excess moneys and distribute not less
7 than 50% of the excess moneys to counties having a population of less than 500,000
8 that are making a good faith effort, as determined by the department, to comply with
9 s. 46.22 (1) (c) 8. f. for services and projects to assist children and families,
10 notwithstanding the percentage limit specified in sub. (3) (a). A county shall use not
11 less than 50% of the moneys distributed to the county under this subsection for
12 services for children who are at risk of abuse or neglect to prevent the need for child
13 abuse and neglect intervention services, except that in the calendar year in which
14 a county achieves compliance with s. 46.22 (1) (c) 8. f. and in the 2 calendar years after
15 that calendar year the county may use 100% of the moneys distributed under this
16 paragraph to reimburse the department for the costs of achieving that compliance.
17 If a county does not comply with s. 46.22 (1) (c) 8. f. before July 1, 2005, the
18 department may recover any amounts distributed to that county under this
19 paragraph after June 30, 2001, by billing the county or deducting from that county's
20 allocation under s. 46.40 (2). All moneys received by the department under this
21 paragraph shall be credited to the appropriation account under s. 20.435 (3) (j).”.

22 **4.** Page 1387, line 5: delete that line and substitute “\$3,324,100 in fiscal year
23 2001–02 and \$3,677,900” in fiscal year 2002–03 in moneys”.

Insert 2-21

To 4

Page 1336, line 2: delete lines 2 and 3 and

substitute " ^(S) SERVICES. If after supporting

the costs specified in section 46.46 of the statutes,

as affected by this ~~act~~ act, and ~~the~~ lapsing the

amounts specified in ^(S) SECTION 9223 (4z) (b)

and (52k) of this act there remain any moneys

in the appropriation account under section 20.435 (8) (mb)

of the statutes, as affected by this act, those remaining

moneys ~~shall be~~ are allocated for costs associated

with transferring cases of children in "

Page 1336, line 12: after "administrations"

insert "The department of health and family services

may propose expending or encumbering no more than

\$ 2,933,700 under this subsection."

Page 1386, line 8: delete "\$ 3,816,300"

and substitute "6,750,000".

(ed of insert)

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

LRBb1423/3dn
GMM:hmh:jf

June 27, 2001

Carolyn:

On the advice of Rachel Carabell of the LFB, this redraft restores the \$6,750,000 lapse amount and provides that if after the lapses and supporting the costs of income augmentation, any moneys remaining in the income augmentation account, DHFS may propose expending up to \$2,933,700 of those remaining moneys for transitioning Milwaukee child welfare cases.

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.state.wi.us



State of Wisconsin
2001 - 2002 LEGISLATURE

NOTE

LRBb1423/B (4)
GMM:hmh:jf
stays RMR

ARC:.....Hughes – AM22, Income augmentation revenues lapses
FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION
CAUCUS ASSEMBLY AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55

Insert
1-9

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 356, line 19: delete lines 19 to 22 and substitute:
- 3 "SECTION 702f. 20.435 (3) (j) of the statutes is created to read:
- 4 20.435 (3) (j) *Statewide automated child welfare information system receipts.*
- 5 All moneys received from counties under s. 46.45 (2) (a), for the costs of implementing
- 6 the statewide automated child welfare information system established under s.
- 7 46.03 (7) (g).".
- 8 **2.** Page 369, line 1: delete lines 1 and 2 and substitute "be used as provided
- 9 in s. 46.46 and 2001 Wisconsin Act (this act), section 9123 (8z).".
- 10 **3.** Page 571, line 2: after that line insert:

1 “SECTION 1557b. 46.45 (2) (a) of the statutes, as affected by 1999 Wisconsin Act
2 9, is amended to read:

3 46.45 (2) (a) If on December 31 of any year there remains unspent or
4 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
5 amount received under 42 USC 670 to 679a and allocated under s. 46.40 (2) in that
6 year, the department shall carry forward the excess moneys and distribute not less
7 than 50% of the excess moneys to counties having a population of less than 500,000
8 that are making a good faith effort, as determined by the department, to comply with
9 s. 46.22 (1) (c) 8. f. for services and projects to assist children and families,
10 notwithstanding the percentage limit specified in sub. (3) (a). A county shall use not
11 less than 50% of the moneys distributed to the county under this subsection for
12 services for children who are at risk of abuse or neglect to prevent the need for child
13 abuse and neglect intervention services, except that in the calendar year in which
14 a county achieves compliance with s. 46.22 (1) (c) 8. f. and in the 2 calendar years after
15 that calendar year the county may use 100% of the moneys distributed under this
16 paragraph to reimburse the department for the costs of achieving that compliance.
17 If a county does not comply with s. 46.22 (1) (c) 8. f. before July 1, 2005, the
18 department may recover any amounts distributed to that county under this
19 paragraph after June 30, 2001, by billing the county or deducting from that county's
20 allocation under s. 46.40 (2). All moneys received by the department under this
21 paragraph shall be credited to the appropriation account under s. 20.435 (3) (j).”.

22 4. Page 1336, line 2: delete lines 2 to 4 and substitute “SERVICES. If after
23 supporting the costs specified in section 46.46 of the statutes, as affected by this act,
24 and lapsing the amounts specified in SECTION 9223 (4z) (b) and (5zk) of this act there

1 remain any moneys in the appropriation account under section 20.435 (8) (mb) of the
2 of the statutes, as affected by this act, those remaining moneys are allocated for costs
3 associated with transferring cases of children in”.

4 **5.** Page 1336, line 12: after “administration.” insert “The department of health
5 and family services may propose expending or encumbering no more than \$2,933,700
6 under this subsection.”.

7 **6.** Page 1386, line 8: delete “\$3,816,300” and substitute “6,750,000”.

8 **7.** Page 1387, line 5: delete that line and substitute “\$3,324,100 in fiscal year
9 2001-02 and \$3,677,900” in fiscal year 2002-03 in moneys”.

10 **8.** Page 1387, line 8: delete lines 8 to 12 and substitute “reimbursement under
11 42 USC 670 to 679 a.”.

12 (END)

Page 1420, line 19: after that line insert:

(16g) (b) INCOME AUGMENTATION SERVICE RECEIPTS.

The treatment of section 20.435 (8)(mb) (by SECTION 732r) of the statutes takes effect on July 1, 2003.”

DNSE

reflect the JCF's intent of providing

On the advice of Rachel Carabell of the LFB, this redraft amends s. 20.435 (8)(mb), effective July 1, 2003, to provide that in the future all excess income augmentation revenues shall be deposited in the general fund as a nonappropriated receipt.

GMM



Insert 1-9

LFB:.....Arsenault – Statewide automated child welfare information system;
lapse of certain MA targeted case management revenues; use of
those revenues to implement system

FOR 2001-03 BUDGET – NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 2001 SENATE BILL 55 AND 2001 ASSEMBLY BILL 144

as affected by 2001 Wisconsin Act
... (this act),

369

B
r

- 1 At the locations indicated, amend the bill as follows:
- 2 1. Page 534, line 19: delete lines 19 to 23 and substitute:
- 3 "SECTION 702d. 20.435 (3) (j) of the statutes is created to read:
- 4 20.435 (3) (j) *Statewide automated child welfare information system receipts.*
- 5 All moneys received from counties for the ongoing costs of operating the statewide
- 6 automated child welfare information system established under s. 46.03 (7) (g)."
- 7 2. Page 545, line 2: after that line insert:
- 8 "SECTION 732g. 20.435 (8) (mb) of the statutes is amended to read:
- 9 20.435 (8) (mb) *Income augmentation services receipts.* All moneys that are
- 10 received under 42 USC 670 to 679a, 42 USC 1395 to 1395ddd, and 42 USC 1396 to

(plain)

Insert 1-9

(see technical am)

(see previous item)

(plain)

~~Section 9123 (72) (a) (1)~~

1 1396v as the result of income augmentation activities for which the state has
 2 contracted and all moneys that are received under 42 USC 1396 to 1396v in
 3 reimbursement of the cost of providing targeted case management services to
 4 children whose care is not eligible for reimbursement under 42 USC 670 to 679a, to
 5 be used as provided in s. 46.46 and 2001 Wisconsin Act ... (this act), section 20.01

~~20.01~~. (end insert)

3. Page 761, line 8: delete lines 8 to 25.

4. Page 762, line 1: delete lines 1 to 3.

5. Page 1790, line 7: after that line insert:

"(5zk) FEDERAL REIMBURSEMENT OF TARGETED CASE MANAGEMENT COSTS; LAPSE; USE
 OF REMAINING MONEYS. Notwithstanding section 20.001 (3) (c) of the statutes, the
 secretary of administration shall lapse to the general fund, from the appropriation
 account under section 20.435 (8) (mb) of the statutes, as affected by the acts of 2001,
 \$2,629,500 in fiscal year 2001-02 and \$2,979,100 in fiscal year 2002-03 in moneys
 received under 42 USC 1396 to 1396v in reimbursement of the cost of providing
 targeted case management services to children whose care is not eligible for
 reimbursement under 42 USC 6670 to 679a. If after those lapses any of those moneys
 received under 42 USC 1396 to 1396v remain in that appropriation account, those
 remaining moneys shall be used to support the counties' share of implementing the
 statewide automated child welfare information system established by the
 department of health and family services under section 46.03 (7) (g) of the statutes."

(END)

receipt

All moneys received under this paragraph in
 excess of the moneys necessary to support
 the costs specified in s. 46.46 shall be
 deposited in the general fund as a nonappropriated

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1423/4dn
GMM:hmh:ch

June 28, 2001 /

On the advice of Rachel Carabell of the LFB, this redraft amends s. 20.435 (8) (mb), effective July 1, 2003, to reflect the JCF's intent of providing that in the future all excess income augmentation revenue shall be deposited in the general fund as a nonappropriated receipt.

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.state.wi.us

ARC:.....Hughes – AM22, Income augmentation revenues lapses

FOR 2001–03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 356, line 19: delete lines 19 to 22 and substitute:

3 “**SECTION 702f.** 20.435 (3) (j) of the statutes is created to read:

4 20.435 (3) (j) *Statewide automated child welfare information system receipts.*

5 All moneys received from counties under s. 46.45 (2) (a), for the costs of implementing

6 the statewide automated child welfare information system established under s.

7 46.03 (7) (g).”.

8 **2.** Page 369, line 1: delete lines 1 and 2 and substitute “be used as provided

9 in s. 46.46 and 2001 Wisconsin Act ... (this act), section 9123 (8z).”.

10 **3.** Page 369, line 2: after that line insert:

1 “SECTION 732r. 20.435 (8) (mb) of the statutes, as affected by 2001 Wisconsin
2 Act (this act), is amended to read:

3 20.435 (8) (mb) *Income augmentation services receipts.* All moneys that are
4 received under 42 USC 670 to 679a, 42 USC 1395 to 1395ddd, and 42 USC 1396 to
5 1396v as the result of income augmentation activities for which the state has
6 contracted and all moneys that are received under 42 USC 1396 to 1396v in
7 reimbursement of the cost of providing targeted case management services to
8 children whose care is not eligible for reimbursement under 42 USC 670 to 679a, to
9 be used as provided in s. 46.46 and ~~2001 Wisconsin Act (this act), section 9123 (82).~~
10 All moneys received under this paragraph in excess of the moneys necessary to
11 support the costs specified in s. 46.46 shall be deposited in the general fund as a
12 nonappropriated receipt.”

13 4. Page 571, line 2: after that line insert:

14 “SECTION 1557b. 46.45 (2) (a) of the statutes, as affected by 1999 Wisconsin Act
15 9, is amended to read:

16 46.45 (2) (a) If on December 31 of any year there remains unspent or
17 unencumbered in the allocation under s. 46.40 (2) an amount that exceeds the
18 amount received under 42 USC 670 to 679a and allocated under s. 46.40 (2) in that
19 year, the department shall carry forward the excess moneys and distribute not less
20 than 50% of the excess moneys to counties having a population of less than 500,000
21 that are making a good faith effort, as determined by the department, to comply with
22 s. 46.22 (1) (c) 8. f. for services and projects to assist children and families,
23 notwithstanding the percentage limit specified in sub. (3) (a). A county shall use not
24 less than 50% of the moneys distributed to the county under this subsection for

1 services for children who are at risk of abuse or neglect to prevent the need for child
2 abuse and neglect intervention services, except that in the calendar year in which
3 a county achieves compliance with s. 46.22 (1) (c) 8. f. and in the 2 calendar years after
4 that calendar year the county may use 100% of the moneys distributed under this
5 paragraph to reimburse the department for the costs of achieving that compliance.
6 If a county does not comply with s. 46.22 (1) (c) 8. f. before July 1, 2005, the
7 department may recover any amounts distributed to that county under this
8 paragraph after June 30, 2001, by billing the county or deducting from that county's
9 allocation under s. 46.40 (2). All moneys received by the department under this
10 paragraph shall be credited to the appropriation account under s. 20.435 (3) (j)."

11 **5.** Page 1336, line 2: delete lines 2 to 4 and substitute "SERVICES. If after
12 supporting the costs specified in section 46.46 of the statutes, as affected by this act,
13 and lapsing the amounts specified in SECTION 9223 (4z) (b) and (5zk) of this act there
14 remain any moneys in the appropriation account under section 20.435 (8) (mb) of the
15 of the statutes, as affected by this act, those remaining moneys are allocated for costs
16 associated with transferring cases of children in".

17 **6.** Page 1336, line 12: after "administration." insert "The department of health
18 and family services may propose expending or encumbering no more than \$2,933,700
19 under this subsection."

20 **7.** Page 1386, line 8: delete "\$3,816,300" and substitute "6,750,000".

21 **8.** Page 1387, line 5: delete that line and substitute "\$3,324,100 in fiscal year
22 2001–02 and \$3,677,900" in fiscal year 2002–03 in moneys".

23 **9.** Page 1387, line 8: delete lines 8 to 12 and substitute "reimbursement under
24 42 USC 670 to 679 a.".

