

BILL HISTORY FOR ASSEMBLY BILL 274 (LRB -2268)

An Act to amend 49.45 (6u) (intro.); and to create 25.17 (1) (jv) and 25.77 of the statutes; relating to: supplemental medical assistance payments to reduce operating deficits of county, city, village, or town nursing homes and creating a medical assistance trust fund. (FE)

2001

03-30.	A.	Introduced by Representatives Rhoades and Shilling ; cosponsored by Senators Moen and Welch .	
03-30.	A.	Read first time and referred to committee on Health	179
04-03.	A.	Withdrawn from committee on Health and referred to committee on Aging and Long-Term Care pursuant to Assembly Rule 42 (3)(c)	183
04-05.	A.	Fiscal estimate received.	
04-05.	A.	Public hearing held.	
04-05.	A.	Executive action taken.	
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04-25.	A.	Placed on calendar 5-1-2001 by committee on Rules.	
05-01.	A.	Representative Petrowski added as a coauthor	215
05-01.	A.	Representative Sykora added as a coauthor	215
05-01.	A.	Read a second time	215
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05-01.	A.	Read a third time and passed , Ayes 97, Noes 0	215
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05-03.	S.	Received from Assembly	177
05-03.	S.	Read first time and referred to committee on Health, Utilities, Veterans and Military Affairs	178
05-23.	S.	Public hearing held.	
05-23.	S.	Executive action taken.	
05-30.	S.	Report introduction and adoption of Senate amendment 1 recommended by committee on Health, Utilities, Veterans and Military Affairs, Ayes 8, Noes 1 (LRB a0549)	204
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05-30.	S.	Available for scheduling.	
06-05.	S.	Senate amendment 2 offered by Senator Cowles (LRB a0560)	211
06-18.	S.	Placed on calendar 6-19-2001 by committee on Senate Organization.	
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06-19.	S.	Senate amendment 1 adopted	236
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06-19.	S.	Ordered to a third reading	237
06-19.	S.	Rules suspended	237
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06-19.	S.	Ordered immediately messaged	237
06-29.	A.	Received from Senate amended and concurred in as amended (Senate amendment 1 adopted)	349
06-29.	A.	Senate amendment 1 concurred in , Ayes 97, Noes 2	349
06-29.	A.	Action ordered immediately messaged	349

**2001
ENROLLED BILL**

01en AB-274

ADOPTED DOCUMENTS:

Orig Engr SubAmdt

01 2268 3

Amendments to above (if none, write "NONE"): _____

Send Amendment 1

Corrections - show date (if none, write "NONE"): April 6, 01

Topic Supplemental medical assistance

payments to reduce operating deficits

6/29/01
Date

[Signature]
Enrolling Drafter

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State of Wisconsin
2001-2002 LEGISLATURE

CORRECTIONS IN:

2001 ASSEMBLY BILL 274

Prepared by the Legislative Reference Bureau
(April 3, 2001)

- ✓ 1. Page 3, line 18: delete "amendment" and substitute "treatment".
- ✓ 2. Page 3, line 18: delete "(by SECTION 3)".



2001 ASSEMBLY BILL 274

March 30, 2001 - Introduced by Representatives RHOADES and SHILLING,
cosponsored by Senators MOEN and WELCH. Referred to Committee on Health.

1 AN ACT *to amend* 49.45 (6u) (intro.); and *to create* 25.17 (1) (jv) and 25.77 of the
2 statutes; **relating to:** supplemental medical assistance payments to reduce
3 operating deficits of county, city, village, or town nursing homes and creating
4 a medical assistance trust fund.

Analysis by the Legislative Reference Bureau

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: 1) moneys received as federal financial participation to match public moneys transferred to the state or certified by the department of health and family services (DHFS) as the state share of financial participation for payments related to nursing homes under the MA program; and 2) public moneys transferred to the state or certified by DHFS as the state and federal share of financial participation for payments related to nursing homes under the MA program.

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

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budget act or before enactment of other legislation that affects the appropriation of 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.

This bill as of July 1, 2000, retroactively eliminates, in the program to supplement MA payments to reduce operating deficits of county, city, village, or town nursing homes, the requirement that DHFS distribute for this purpose additional, unanticipated moneys received as federal financial participation and increases, to up to \$40,100,000, the amount of federal financial participation that may be distributed.

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

2 25.17 (1) (jv) Medical assistance trust fund (s. 25.77);

3 **SECTION 2.** 25.77 of the statutes is created to read:

4 **25.77 Medical assistance trust fund.** There is created a separate
5 nonlapsible trust fund designated as the medical assistance trust fund, consisting
6 of all of the following:

7 (1) All federal moneys received that are related to payments under s. 49.45
8 (6m) and are based on public funds that are transferred or certified under 42 CFR
9 433.51 (b) and used as the non-federal share of medical assistance funding.

10 (2) All public funds that are related to payments under s. 49.45 (6m) and that
11 are transferred or certified under 42 CFR 433.51 (b) and used as the non-federal and
12 federal share of medical assistance funding.

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SECTION 3. 49.45 (6u) (intro.) of the statutes is amended to read:

49.45 (6u) SUPPLEMENTAL PAYMENTS TO CERTAIN FACILITIES. (intro.)

Notwithstanding sub. (6m), from the appropriation under s. 20.435 (4) (o), for reduction of operating deficits, as defined under criteria developed by the department, incurred by a facility, as defined under sub. (6m) (a) 3., that is established under s. 49.70 (1) or that is owned and operated by a city, village or town, the department may not distribute to these facilities more than \$38,600,000 \$40,100,000 in each fiscal year, as determined by the department, ~~except that the department shall also distribute for this same purpose from the appropriation under s. 20.435 (4) (o) any additional federal medical assistance moneys that were not anticipated before enactment of the biennial budget act or other legislation affecting s. 20.435 (4) (o).~~ The total amount that a county certifies under this subsection may not exceed 100% of otherwise-unreimbursed care. In distributing funds under this subsection, the department shall perform all of the following:

SECTION 4. Effective dates. This act takes effect on the day after publication, except as follows:

(1) SUPPLEMENTAL MEDICAL ASSISTANCE PAYMENTS TO NURSING HOMES. The amendment of section 49.45 (6u) (intro.) (by SECTION 3) of the statutes takes effect retroactively to July 1, 2000.

(END)

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**SENATE AMENDMENT 1,
TO 2001 ASSEMBLY BILL 274**

May 30, 2001 – Offered by COMMITTEE ON HEALTH, UTILITIES, VETERANS AND MILITARY AFFAIRS.

1 At the locations indicated, amend the bill as follows:

2 ✓ 1. Page 1, line 3: delete “and” and substitute a comma.

3 ✓ 2. Page 1, line 4: after “fund” insert “, and requiring payments or completion
4 of payments to facilities for wage or salary and fringe benefits supplements”.

5 ✓ 3. Page 3 line 14: after that line insert:

6 **“SECTION 3m. Nonstatutory provisions.**

7 (1) PAYMENTS OR COMPLETION OF PAYMENTS TO FACILITIES FOR WAGE OR SALARY AND
8 FRINGE BENEFITS SUPPLEMENTS. Notwithstanding 1999 Wisconsin Act 9, section 9123
9 (9m) (c), the department of health and family services shall, before July 1, 2001, pay
10 or complete payment, as appropriate, of all moneys required to be paid under 1999
11 Wisconsin Act 9, section 9123 (9m) (a), to each facility, as defined under section 49.45
12 (6m) (a) 3. of the statutes, that applied for the moneys in accordance with 1999
13 Wisconsin Act 9, section 9123 (9m) (a) and repealed, before January 30, 2001, a

1 decision by the department of health and family services under 1999 Wisconsin Act
2 9, section 9123 (9m) (c).”

3 (END)