

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-4960/1dn
DAK:kmg:rs

February 21, 2002

To Senator Meyer:

In drafting this bill, I have consulted Chuck Wilhelm. The following questions have arisen:

1. On Chuck's advice, I have made the payment to CMO's applicable only in the instance that the state receives IGT moneys in the MA trust fund. Is that what you want? If you also want the moneys available if the state does not receive IGT moneys, there is a matching requirement that might prove difficult to figure and to impose.
2. I have not included a requirement that DHFS require the CMO to increase its capitated payment for services by an amount that is equal to the supplement that it receives, but that is an option that you may wish to consider. There are arguments on both sides of this issue. At least a couple of them are: 1) should the CMO's be trusted to pass the money on to the nursing homes?; and 2) since the money that is necessary is somewhat speculative, would requiring the pass-through possibly result in artificially increasing the capitation rate for services that are not provided?
3. I have drafted an effective date of July 1, 2002, which may not be what the nursing homes want. However, a retroactive date of, say, July 1, 2001, may be impossible to comply with if DHFS has distributed all of the money for fiscal year 2001-02 by the time the bill passes.

Please let me know if I can provide you with further assistance with regard to this bill draft.

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