

2003 DRAFTING REQUEST

Bill

Received: **09/17/2002**

Received By: **rryan**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Blaine**

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

Drafter: **rryan**

May Contact:

Addl. Drafters:

Subject: **Health - long-term care**

Extra Copies: **DAK**

Submit via email: **NO**

Pre Topic:

DOA:.....Blaine - BB0010

Topic:

COP and COP-W carry-over amount

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>
/?							S&L
/P1	rryan 10/07/2002	kfollett 10/08/2002	pgreensl 10/09/2002		lemery 10/09/2002		
		kfollett 10/09/2002					

FE Sent For:

<END>

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		1P1 10/8	10/9	10/9			
FE Sent For:		10/10 jld	PS	PS 10/9			

DHFS

Department of Health and Family Services
2003-2005 Biennial Budget Statutory Language Request
July 15, 2002

Decrease County Carry Over of COP and COP-W Funds

Current Language

s. 46.27(7)(fm) The department shall, at the request of a county, carry forward up to 10% of the amount allocated under this subsection to the county for a calendar year if up to 10% of the amount so allocated has not been spent or encumbered by the county by December 31 of that year, for use by the county in the following calendar year, except that the amount carried forward shall be reduced by the amount of funds that the county has notified the department that the county wishes to place in a risk reserve under par. (fr). The department may transfer funds within s. 20.435 (7)(bd) to accomplish this purpose. An allocation under this paragraph does not affect a county's base allocation under this subsection and shall lapse to the general fund unless expended within the calendar year to which the funds are carried forward. A county may not expend funds carried forward under this paragraph for administrative or staff costs, except administrative or staff costs that are associated with implementation of the waiver under sub. (11) and approved by the department.

Proposed Change

Modify the s. 46.27(7)(fm) to limit the amount of COP and COP-W funds that counties can carry over on an annual basis from 10% of their allocated amount to 5%.

Effect of the Change

The change would limit the amount of COP and COP-W funds that a county can carry over on an annual basis from 10% of their total allocation to 5%. This will not affect the annual COP and COP-W county allocations; it will only limit the amount of funding counties are able to carry over into the following year.

Rationale for the Change

The carry over provision was initially created in the COP and COP-W programs to allow counties to reserve funds to pay for one-time expenses or to meet unexpected service costs. Unfortunately, some counties consistently carry over 10% of their allocations from year to year without using the funds to provide services. When the COP and COP-W funds are carried over, counties are able to use them to serve any long term care population rather than the target groups they are intended for. For example, COP-W carry over funds could be used to serve an individual with a developmental disability. By limiting the amount of COP and COP-W funds that counties can carry over on an annual basis to 5%, counties will still have some funds available to address one-time expenses or

unexpected service costs but will now be required to spend a greater portion of their annual allocation to provide services to existing clients or to serve new clients from the wait list.

Desired Effective Date: January 1, 2004
Agency: DHFS
Agency Contact: Erin Warner
Phone: 266-9363

Ryan, Robin

From: Warner, Erin
Sent: October 07, 2002 10:53 AM
To: Blaine, Robert; Ryan, Robin
Cc: Bove, Fredi-Ellen; Forsaith, Andrew
Subject: RE: COP carry-over request

WAIT, it would not affect the 2003-2004 carryover.

DHFS intention is that this provision would be effective January 1, 2004. That means that the CY 2004 contracts would include language that counties could only carry-over 5% of their CY 2004 allocation. Nothing will change for their CY 2003 contracts and they will still be allowed to carry over 10% of their allocation in CY 2003. Let me know if this makes sense.

Erin Warner
6-9363

>>> Ryan, Robin 10/07/02 10:46AM >>>

I'll add an initial applicability provision to the draft that clarifies that it affects the carry-over from 2003 to 2004.

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

From: Blaine, Robert
Sent: October 07, 2002 10:41 AM
To: Ryan, Robin
Cc: Warner, Erin
Subject: RE: COP carry-over request

My assumption was that it would affect CY2003 to CY2004 carryover (Erin, correct me if I'm wrong). If that is so, would Dec. 31, 2003 be a more appropriate effective date?

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

From: Ryan, Robin
Sent: Monday, October 07, 2002 10:22 AM
To: Blaine, Robert
Subject: COP carry-over request

DHFS requested that the reduction of the COP carry-over from 10% to 5% be effective on January 1, 2004. Does that mean that the amount carried-over from calendar year 2003 to 2004 can only be 5%, or does this change first affect the amount carried over from calendar year 2004 to 2005? thanks



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-0092/P1

RLR: [handwritten initials]

In 10/7/02

[handwritten signature]

DOA:.....Blaine - BB0010 COP and COP-W carry-over amount

FOR 2003-05 BUDGET - NOT READY FOR INTRODUCTION

DO NOT GEN

- 1 AN ACT ...; relating to: ~~County~~ carry-over of Long-Term ^{Support} Care Community
- 2 Options Program funds.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Currently, under the Long-Term Support Community Options Program (COP), DHFS allocates funding to counties to provide community-based support services to people who would otherwise require care in an institution. Under COP, counties may provide services to the elderly, people who have a physical or developmental disability, people who are chronically mentally ill or chemically dependent, or people who have Alzheimer's disease. Counties must use COP funds to serve at least a minimum number of people from each of these client groups in accordance with a formula that is established by DHFS. Each year a county may set aside the lesser of up to 10 percent of its COP allocation or \$750,000 in a risk reserve escrow fund and may subsequently use the risk reserve funds to provide COP services; to fund certain activities under the Family Care program; or, with DHFS approval, to fund administrative or staff costs under the COP program. A county may also carry forward to the next fiscal year up to 10 percent of its annual COP allocation, minus any amount set aside for risk reserve. The county must expend any amount that is carried forward for COP services or, with approval from DHFS, for certain COP administrative or staff costs. The formula for distributing COP service funds

lps: delete comma insert ;

X
X
X
X

among the various COP client groups does not apply to the expenditure of COP funds that are carried forward.

✓ ^{0/0} This bill limits the amount of COP funds that a county may carry ^Δ forward to ~~5 percent~~ ² of the county's COP allocation minus any amount set aside for risk reserve, beginning with funds carried ^Δ forward from calendar year 2004 to calendar year 2005.

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. 46.27 (7) ^X(fm) of the statutes is amended to read:

2 46.27 (7) (fm) The department shall, at the request of a county, carry forward

3 up to ~~10%~~ [✓] ~~5%~~ [✓] of the amount allocated under this subsection to the county for a

4 calendar year if up to ~~10%~~ [✓] ~~5%~~ [✓] of the amount so allocated has not been spent or

5 encumbered by the county by December 31 of that year, for use by the county in the

6 following calendar year, except that the amount carried forward shall be reduced by

7 the amount of funds that the county has notified the department that the county

8 wishes to place in a risk reserve under par. (fr). The department may transfer funds

9 within s. 20.435 (7) (bd) to accomplish this purpose. An allocation under this

10 paragraph does not affect a county's base allocation under this subsection and shall

11 lapse to the general fund unless expended within the calendar year to which the

12 funds are carried forward. A county may not expend funds carried forward under

13 this paragraph for administrative or staff costs, except administrative or staff costs

14 that are associated with implementation of the waiver under sub. (11) and approved

15 by the department.

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; 2001 a. 16, 103.

16 **SECTION 9324. Initial applicability; health and family services.** ✓

auto ref A
Support (CS)

1 (1) LONG-TERM CARE COMMUNITY OPTIONS PROGRAM COUNTY CARRY-OVER. The
2 treatment of section 46.27 (7) (fm) of the statutes first applies to funds
3 carried forward from calendar year 2004 to calendar year 2005.

4 SECTION 9424. Effective dates; health and family services.

5 (1) LONG-TERM CARE COMMUNITY OPTIONS PROGRAM COUNTY CARRY-OVER. The
6 treatment of section 46.27 (7) (fm) of the statutes takes effect on January 1, 2004.

6
7

(END)

and SECTION 9324 (1) of this act
auto ref A
(CS)



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-0092/P1
RLR:kjf&jld:pg

DOA:.....Blaine - BB0010 COP and COP-W carry-over amount
FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

- 1 AN ACT ...; relating to: county carry-over of Long-Term Support Community
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This bill limits the amount of COP funds that a county may carry forward to 5% of the county's COP allocation minus any amount set aside for risk reserve, beginning with funds carried forward from calendar year 2004 to calendar year 2005.

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:

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10 paragraph does not affect a county's base allocation under this subsection and shall
11 lapse to the general fund unless expended within the calendar year to which the
12 funds are carried forward. A county may not expend funds carried forward under
13 this paragraph for administrative or staff costs, except administrative or staff costs
14 that are associated with implementation of the waiver under sub. (11) and approved
15 by the department.

16 **SECTION 9324. Initial applicability; health and family services.**

17 (1) LONG-TERM SUPPORT COMMUNITY OPTIONS PROGRAM COUNTY CARRY-OVER. The
18 treatment of section 46.27 (7) (fm) of the statutes first applies to funds carried
19 forward from calendar year 2004 to calendar year 2005.

