

2003 DRAFTING REQUEST

Bill

Received: 01/19/2003

Received By: dkennedy

Wanted: As time permits

Identical to LRB:

For: Administration-Budget 267-7980

By/Representing: Blaine

This file may be shown to any legislator: NO

Drafter: dkennedy

May Contact:

Addl. Drafters:

Subject: Health - medical assistance

Extra Copies: RLR, PJK

Submit via email: YES

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

DOA:.....Blaine - BB0384

Topic:

County services deficit reduction benefit

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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/5	dkennedy 02/10/2003	kgilfoy 02/10/2003	pgreensl 02/10/2003	_____	mbarman 02/10/2003		

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*Handwritten signatures and initials:*  
ps/sgk  
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Eliminate county services deficit reduction benefit

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**Instructions:**

See Attached

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1?	dkennedy	only 1 1/20	10/1/21	Self 1/21			

FE Sent For:

<END>



## Kennedy, Debora

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**From:** Blaine, Robert  
**Sent:** Friday, January 17, 2003 2:57 PM  
**To:** Kennedy, Debora  
**Cc:** Kahler, Pam  
**Subject:** Drafting -- head's up!

OK (deep breath for Rob) -- it's not as bad as I had feared --- here are the items I'll be sending over soon:

New Items (these will come over formally, but you might not see them until Sun / Mon -- depending on if they're making runs).

- 1) MA -- personal needs allowance for nursing home residents. Reduce the allowance from \$45 / month to \$30 / month. s. 49.45 (7)(a)
- 2) Family Care Expansion to Kenosha (see attached language request).



Standard DD  
Eligibility.doc

- 3) Eliminate the County Services Deficit Reduction Benefit (CSDRB).

In addition to this, the following drafts need to be modified.

### Items to be Modified

Draft# (no draft received -- SENIORCARE):

- Change the deductible structure as follows: \$500 for persons < 200% FPL. \$750 for persons between 200-240% FPL. \$850% for persons > 240%.
- Increase the enrollment fee as follows: \$25 for persons with incomes < 200% FPL. \$30 for those with incomes above 200% FPL.

Draft# (no draft yet received -- MA & BC cost-sharing): reduce the emergency room copayment to \$10 (previously specified as \$40).

Draft#: 1253 Revise to original 1253/1, repealing 49.45 (6x) (thus, we'll eliminate both the EACH and rural adjustments).

Draft# 0207: increase the assessment charged from \$32 per licensed bed to \$115 per bed

### IGT / Revenue Maximization

I sent you an e-mail on Dec. 19 with some instructions. I think you can just scrap this since most of it is now irrelevant (esp. a portion that dealt with a grant to Marquette dental school).

We have been working on four discrete projects under the heading of "revenue maximization." Before I had thought that we could just do them all as one draft, using the IGT draft as a starting point, but it may make more sense to do them separately. What I will do is this. I will put together a plain language description of the projects and send them to you, if not by the end of today, by Sunday. It may be helpful if we met Sunday afternoon or Monday to talk about them (I'd be happy to come to your office for a change!). The broad ideas are as follows:

- 1) Home & Community Based Waivers IGT: do an IGT with counties for waiver services, where the upper limit is a % of the maximum specified in the CIP 1A/1B waiver.
- 2) County Based Services IGT: do an IGT with counties for other county provided services such as mental health services, AODA.
- 3) Municipality-based Services: reallocate some state GPR (shared revenue) to the MA program, and make enhanced payments for health services (e.g., EMS) provided by cities).
- 4) School-based Services: same as the municipal projects, but targeted to school districts for special education services.

Most of the language for these projects (I think) is related to compelling these entities to work with us on these projects, re-working the MA trust fund to park the money, and creating appropriations to budget the money.



**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

**JIM DOYLE**  
GOVERNOR  
**MARC MAROTTA**  
SECRETARY

Division of Executive Budget and Finance  
Post Office Box 7864  
Madison, WI 53707-7864  
Voice (608) 266-1736  
Fax (608) 267-0372  
TTY (608) 267-9629

---

**Date:** January 19, 2003

**To:** Steve Miller, Chief  
Legislative Reference Bureau

**From:** Robert Blaine, Executive Policy and Budget Analyst  
Health and Public Safety Team, State Budget Office

**Subject:** Statutory Language Requests - Department of Health and Family Services

Attached are three statutory language requests for the 2003-05 biennial budget

- Eliminate County Services Deficit Reduction Benefit (CSDRB)
- Standardizing Family Care Eligibility
- Medical Assistance Personal Needs Allowance

Please contact either myself (267-7980) if you have any questions.

**Agency:** Department of Health and Family Services

**SBO Analyst:** Robert Blaine (7-7980)

**Title:** Eliminate County Services Deficit Reduction Benefit

**Purpose of Draft:** Counties currently can certify deficits incurred in serving MA-eligible individuals, and through the state, receive federal MA matching funds equal to 60% of these deficits. The benefit is specified in s. 49.45 (6t). This draft will eliminate this benefit.

**Priority:** High.



*emb*

DOA:.....Blaine -- Eliminate county services deficit reduction benefit  
FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

*don't get cut*

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

*Analysis by the Legislative Reference Bureau*  
**HEALTH AND HUMAN SERVICES**  
**MEDICAL ASSISTANCE**

Under current law, county departments of social services, human services, and developmental disabilities services and local health departments that have incurred costs in excess of reimbursement for providing certain services to recipients under the Medical Assistance (MA) Program may receive, through DHFS, a 60% federal Medicaid matching amount for moneys the county departments and local health departments expend to reduce operating deficits for those costs.

This bill eliminates the program under which county departments and local health departments may expend moneys to reduce operating deficits for costs of providing certain services to MA recipients and receive, from DHFS, federal Medicaid matching moneys.

For further information see the *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:*

2 SECTION 1. 49.45 (6t) of the statutes is repealed.

3 (END)

**Agency:** Department of Health and Family Services

**SBO Analyst:** Robert Blaine (7-7980)

**Title:** Eliminate County Services Deficit Reduction Benefit

**Purpose of Draft:** Counties currently can certify deficits incurred in serving MA-eligible individuals, and through the state, receive federal MA matching funds equal to 60% of these deficits. The benefit is specified in s. 49.45 (6t). This draft will eliminate this benefit.

**Priority:** High.

BB0384

Redraft  
1/6 11/11

**Department of Health and Family Services**  
**2001-2003 Biennial Budget Statutory Language Request**  
January 31, 2003

## Revenue Maximization Reinvestment Plan

### Current Language

s. 20.435(4)(w)

Redraft 0194/3  
↓

### Proposed Change

Amend s.20.435(4)(w) to allow funds to be distributed for the additional purposes of 1) grants to counties for community support programs under s. 51.421(3) and 2) grants to counties for community based medical services.

Amend s. 49.45(6t) and create non statutory language to sunset the community services deficit reduction program if the federal government approves an MA state plan amendment for a new payment methodology for local government-provided MA services. Specify that if the sunset occurs, counties would no longer be able to claim federal funding through CSDRB beginning with the CY 2002 claiming year.

### Effect of the Change

The changes would allow the Department to distribute funds to counties from (4)(w) to fund community support program services and to maintain funding to counties for community services after the CSDRB program sunsets.

The sunset of the CSDRB program would be conditioned on federal approval.

**Desired Effective Date:** Upon passage  
**Agency:** DHFS  
**Agency Contact:** Andy Forsaith  
**Phone:** 266-7684

## Kennedy, Debora

---

**From:** Blaine, Robert  
**Sent:** Thursday, January 30, 2003 6:31 PM  
**To:** Kennedy, Debora  
**Subject:** FW: RevMax/CSDRB Stat Language



Rev Max stat  
language.doc

Debora --

Ugh -- some comments about the IGT draft before you've even seen them! Actually, the attached has two pieces:

- 1) A safeguard measure related to our eliminating CDSRB in draft 1611/1. If we can get this change in, great. If not, let me know.
- 2) Some further changes to the language under s. 20.435 (4)(w) to broaden the purpose of this appropriation. This should be added to the IGT draft, but of course, I would hold off on amending this draft further until we get more comments from DHFS tomorrow.

Thanks,  
Robert

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

**From:** Forsaith, Andrew  
**Sent:** Thursday, January 30, 2003 5:37 PM  
**Cc:** Blaine, Robert; Cunningham, Curtis; Megna, Richard  
**Subject:** RevMax/CSDRB Stat Language

To throw another item on your pile, attached is a stat language request that contains:

- 1) Chapter 20 changes that are necessary to implement the RevMax Reinvestment plan, DIN 5501
- 2) additional language related to the elimination of CSDRB. The CSDRB language in the attached represents our only comment to LRB 1611/1, which you had sent Curtis earlier.

Thanks,

Andy

soon - In edit 2/1

DOA:.....Blaine - BB0384 County services deficit reduction benefit  
FOR 2003-05 BUDGET - NOT READY FOR INTRODUCTION

makes inapplicable

don't see  
act

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**MEDICAL ASSISTANCE**

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This bill ~~eliminates~~ the program under which county departments and local health departments may expend moneys to reduce operating deficits for costs of providing certain services to MA recipients and receive, from DHFS, federal Medicaid matching moneys. **INSERT ANALI**

For further information see the *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:**

2 SECTION 1. 49.45 (6t) of the statutes is repealed?

3  
INSERT  
1-2

(END)



209

**INSERT ANAL 1**

, if the federal center for medicaid services approves a revised payment methodology for MA services that are provided by a local government. In addition, if the approval is made, a county department or local health department that received a distribution from DHFS of federal Medicaid matching moneys under the program for any year after 2001 must return the moneys to DHFS.

**INSERT 1-2**

1           **SECTION 1.** 49.45 (6t) of the statutes, as affected by 2001 Wisconsin Act 16, is  
2           renumbered 49.45 (6t) (a) and 49.45 (6t) (a) 2. (intro.), 3. and 4., as renumbered, are  
3           amended to read:

4           49.45 (6t) (a) 2. (intro.) Based on the amount estimated to be available under  
5           par. (a) subd. 1., develop a method, which need not be promulgated as rules under  
6           ch. 227, to distribute this allocation to the individual county departments under s.  
7           46.215, 46.22, 46.23 or 51.42 or to local health departments that have incurred  
8           operating deficits that shall include all of the following:

9           3. Except as provided in ~~par. (d)~~ subd. 4., distribute the allocation under the  
10          distribution method that is developed.

11          4. If the federal department of health and human services approves for state  
12          expenditure in a fiscal year amounts under s. 20.435 (4) (o) that result in a lesser  
13          allocation amount than that allocated under this subsection or disallows use of the  
14          allocation of federal medicaid funds under ~~par. (e)~~ subd. 3., reduce allocations under  
15          this subsection and distribute on a prorated basis, as determined 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; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

16          **SECTION 2.** 49.45 (6t) (b) of the statutes is created to read:

*use auto-ref "a"*  
*use auto-ref "b"*

1 49.45 (6t) (b) If 2003 Wisconsin Act ... (this act), section 9124 (\*) (a) applies,  
2 this subsection does not apply.

3 **SECTION 9124. Nonstatutory provisions; health and family services.**

*create auto-ref "a"*

4 (1) COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING DEFICIT

5

REDUCTION. (a) If an amendment to the state medical assistance plan that provides

9

*create auto-ref "b"*

6 for a revised payment methodology for medical assistance services that are provided

7 by a local government is approved by the federal center for medicaid services before

8 July 1, 2005, no county department under section 46.215, 46.22, 46.23, or 51.42 of

9 the statutes and no local health department, as defined in section 250.01 (4) of the

10

statutes may receive a distribution of an allocation under section 49.45 (6t) of the

11 statutes.

*use auto-ref "b"*

12 (b) If paragraph (a) applies, any county department or local health department

13 that has received distribution of an allocation under section 49.45 (6t) of the statutes

14 for any year after 2001 shall, upon demand by the department of health and family

15 services, return to the department of health and family services all those moneys so

16 distributed.

1611

**Kennedy, Debora**

---

**From:** Forsaith, Andrew  
**Sent:** Monday, February 03, 2003 2:33 PM  
**To:** Blaine, Robert; Kennedy, Debora  
**Cc:** Pederson, Russell; Cunningham, Curtis  
**Subject:** Re: FW: LRB Draft: 03-1611/2 County services deficit reduction benefit

Robert and Debora:

1. The only substantive change we would like to make to this draft is to replace the very last paragraph (s. 9124(1)(b)) with the following language:

"(b) if paragraph (a) applies, no county department or local health department may receive an allocation under s.49.45(6t) of the statutes in any year after 2002."

The reason is that under current law, we would distribute the allocation for CY 02 expenditures in November 03. We wanted to make clear that we would not be making the November 03 allocation even though the program was in effect during CY 02. As drafted, the paragraph suggests that we might send out the allocation "by mistake" and also make counties mistakenly think they were going to have to pay money back to the state. Note that we replaced "for any year" with "in any year" and changed the year to 2002.

2. A non substantive point, it should be the center for medicare and medicaid services on line 3, page 2.

3. Robert: one last related point, Richard said you'd be using GPR for the CSDRB hold harmless payments in FY 05. You probably have realized this already, but we'd have to modify (4)(b) to make a non-MA payment from that appropriation.

Thanks for considering these comments.

>>> Blaine, Robert 02/01/03 05:10PM >>>

-----Original Message-----  
**From:** Haugen, Caroline  
**Sent:** Saturday, February 01, 2003 5:03 PM  
**To:** Blaine, Robert  
**Cc:** Johnston, James; Schaeffer, Carole; Hanaman, Cathlene; Haugen, Caroline  
**Subject:** LRB Draft: 03-1611/2 County services deficit reduction benefit

Following is the PDF version of draft 03-1611/2.

## Kennedy, Debora

---

**From:** Pederson, Russell  
**Sent:** Monday, February 03, 2003 2:53 PM  
**To:** Blaine, Robert; Kennedy, Debora; Forsaith, Andrew  
**Cc:** Cunningham, Curtis  
**Subject:** Re: FW: LRB Draft: 03-1611/2 County services deficit reduction benefit

Perhaps a more flexible approach would be to redraft this to simply prohibit counties from receiving an allocation under 49.45 (6t) for any year that they also received a payment under par. (a) of 9124. That would provide the most coverage since the Dept. has until July 1, 2005 to obtain state plan approval.

Sorry for the late notice; please let me know if you agree.

>>> Andrew Forsaith 02/03/03 02:33PM >>>  
Robert and Debora:

1. The only substantive change we would like to make to this draft is to replace the very last paragraph (s. 9124(1)(b)) with the following language:

"(b) if paragraph (a) applies, no county department or local health department may receive an allocation under s.49.45(6t) of the statutes in any year after 2002."

The reason is that under current law, we would distribute the allocation for CY 02 expenditures in November 03. We wanted to make clear that we would not be making the November 03 allocation even though the program was in effect during CY 02. As drafted, the paragraph suggests that we might send out the allocation "by mistake" and also make counties mistakenly think they were going to have to pay money back to the state. Note that we replaced "for any year" with "in any year" and changed the year to 2002.

2. A non substantive point, it should be the center for medicare and medicaid services on line 3, page 2.

3. Robert: one last related point, Richard said you'd be using GPR for the CSDRB hold harmless payments in FY 05. You probably have realized this already, but we'd have to modify (4)(b) to make a non-MA payment from that appropriation.

Thanks for considering these comments.

>>> Blaine, Robert 02/01/03 05:10PM >>>

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

**From:** Haugen, Caroline  
**Sent:** Saturday, February 01, 2003 5:03 PM  
**To:** Blaine, Robert  
**Cc:** Johnston, James; Schaeffer, Carole; Hanaman, Cathlene; Haugen, Caroline  
**Subject:** LRB Draft: 03-1611/2 County services deficit reduction benefit

Following is the PDF version of draft 03-1611/2.

## **Kennedy, Debora**

---

**From:** Blaine, Robert  
**Sent:** Monday, February 03, 2003 4:28 PM  
**To:** Kennedy, Debora  
**Cc:** Schaeffer, Carole; Johnston, James  
**Subject:** Prescription Drugs and CSDRB

We've got a "no go, no go" on the prescription drug language. We will pull this from the bill. (Carole, this is draft 1762/P1, and should be switched from In to Out).

As for CSDRB: your language (glass half full) makes counties return CSDRB payments they receive if paragraph (a) applies (i.e., if the feds approve the state plan change); their language (glass half empty) prevents counties from receiving CSDRB payments, unless paragraph (a) DOESN'T apply. That is, counties don't receive payments unless the feds don't approve the plan change. They are right in one aspect that this should only apply to CSDRB post 2002 (i.e., we are eliminating it effective 2003).

Thus, I think the date should be changed on line 10 of page 3. I do not really care whether we use a half empty or half full glass.

**Robert Blaine**

State Budget Office -- WI Dept. of Administration  
608/267-7980  
608/267-0372 (fax)  
robert.blaine@doa.state.wi.us



D-NOTE

Handwritten signature

DOA:.....Blaine – BB0384 County services deficit reduction benefit  
FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT <sup>DON'T GEN. CAT.</sup> relating to: the budget.

Analysis by the Legislative Reference Bureau  
HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current law, county departments of social services, human services, and developmental disabilities services and local health departments that have incurred costs in excess of reimbursement for providing certain services to recipients under the Medical Assistance (MA) Program may receive, through DHFS, a 60% federal Medicaid matching amount for moneys the county departments and local health departments expend to reduce operating deficits for those costs.

This bill makes inapplicable the program under which county departments and local health departments may expend moneys to reduce operating deficits for costs of providing certain services to MA recipients and receive, from DHFS, federal Medicaid matching moneys, if the federal center for medicaid services approves a revised payment methodology for MA services that are provided by a local government. In addition, if the approval is made, a county department or local health department that received a distribution from DHFS of federal Medicaid matching moneys under the program for any year after ~~2001~~ must return the moneys to DHFS.

Handwritten note: medicaid and

Handwritten note: 2002

For further information see the *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.** 49.45 (6t) of the statutes, as affected by 2001 Wisconsin Act 16, is  
2           renumbered 49.45 (6t) (a), and 49.45 (6t) (a) 2. (intro.), 3. and 4., as renumbered, are  
3           amended to read:

4           49.45 (6t) (a) 2. (intro.) Based on the amount estimated to be available under  
5           ~~par. (a) subd. 1.~~, develop a method, which need not be promulgated as rules under  
6           ch. 227, to distribute this allocation to the individual county departments under s.  
7           46.215, 46.22, 46.23 or 51.42 or to local health departments that have incurred  
8           operating deficits that shall include all of the following:

9           3. Except as provided in ~~par. (d) subd. 4.~~, distribute the allocation under the  
10          distribution method that is developed.

11          4. If the federal department of health and human services approves for state  
12          expenditure in a fiscal year amounts under s. 20.435 (4) (o) that result in a lesser  
13          allocation amount than that allocated under this subsection or disallows use of the  
14          allocation of federal medicaid funds under ~~par. (e) subd. 3.~~, reduce allocations under  
15          this subsection and distribute on a prorated basis, as determined by the department.

16          **SECTION 2.** 49.45 (6t) (b) of the statutes is created to read:

17          49.45 (6t) (b) If 2003 Wisconsin Act .... (this act), section 9124 (1) (a) applies,  
18          this subsection does not apply.

19          **SECTION 9124. Nonstatutory provisions; health and family services.**

20          (1) COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING DEFICIT  
21          REDUCTION.

**SECTION 9124**

*medicare and*

1 (a) If an amendment to the state medical assistance plan that provides for a  
 2 revised payment methodology for medical assistance services that are provided by  
 3 a local government is approved by the federal center for medicaid services before July  
 4 1, 2005, no county department under section 46.215, 46.22, 46.23, or 51.42 of the  
 5 statutes and no local health department, as defined in section 250.01 (4) of the  
 6 statutes, may receive a distribution of an allocation under section 49.45 (6t) of the  
 7 statutes.

8 (b) If paragraph (a) applies, any county department or local health department  
 9 that has received distribution of an allocation under section 49.45 (6t) of the statutes  
 10 for any year after ~~2001~~ shall, upon demand by the department of health and family  
 11 services, return to the department of health and family services all those moneys so  
 12 distributed.

(END)

*2002*

*D-NOTE*



0.4.12.0

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

LRB-1611/3dn  
DAK: ~~ch~~:ch



To Robert Blaine:

I have done nothing in this draft concerning Andy Forsaith's third comment in his February 3, 2003, e-mail concerning amending s. 20.435 (4) (b), stats.

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

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

LRB-1611/3dn  
DAK:kmg:pg

February 3, 2003

To Robert Blaine:

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



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-1611/8 4  
DAK:cmh&kmg:ES

D-NOTE

↑  
EKJF

DOA:.....Blaine – BB0384 County services deficit reduction benefit

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

Don't Gen

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

---

*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**MEDICAL ASSISTANCE**

Under current law, county departments of social services, human services, and developmental disabilities services and local health departments that have incurred costs in excess of reimbursement for providing certain services to recipients under the Medical Assistance (MA) Program may receive, through DHFS, a 60% federal Medicaid matching amount for moneys the county departments and local health departments expend to reduce operating deficits for those costs.

This bill makes inapplicable the program under which county departments and local health departments may expend moneys to reduce operating deficits for costs of providing certain services to MA recipients and receive, from DHFS, federal Medicaid matching moneys, if the federal center for medicare and medicaid services approves a revised payment methodology for MA services that are provided by a local government. In addition, if the approval is made, a county department or local health department that received a distribution from DHFS of federal Medicaid matching moneys under the program for any year after 2002 must return the moneys to DHFS.

For further information see the *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. 49.45 (6t) of the statutes, as affected by 2001 Wisconsin Act 16, is  
2 renumbered 49.45 (6t) (a), and 49.45 (6t) (a) <sup>(intro.), 1.,</sup> 2. (intro.); 3. and 4., as renumbered, are  
3 amended to read:

INSERT 2-3

4 ~~49.45 (6t) (a)~~ 2. (intro.) Based on the amount estimated to be available under  
5 ~~par. (a) subd. 1.~~, develop a method, which need not be promulgated as rules under  
6 ch. 227, to distribute this allocation to the individual county departments under s.  
7 46.215, 46.22, 46.23 or 51.42 or to local health departments that have incurred  
8 operating deficits that shall include all of the following:

9 3. Except as provided in ~~par. (d) subd. 4.~~, distribute the allocation under the  
10 distribution method that is developed.

11 4. If the federal department of health and human services approves for state  
12 expenditure in a fiscal year amounts under s. 20.435 (4) (o) that result in a lesser  
13 allocation amount than that allocated under this subsection or disallows use of the  
14 allocation of federal medicaid funds under ~~par. (e) subd. 3.~~, reduce allocations under  
15 this subsection and distribute on a prorated basis, as determined by the department.

INSERT 2-15

16 SECTION 2. 49.45 (6t) (b) of the statutes is created to read:

17 49.45 (6t) (b) If 2003 Wisconsin Act .... (this act), section 9124 (1) (a) applies,  
18 this subsection does not apply.

19 SECTION 9124. Nonstatutory provisions; health and family services.

20 (1) COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING DEFICIT  
21 REDUCTION.



1 ~~SECTION 1. 49.45 (6t) (intro.) of the statutes, as affected by 2001 Wisconsin Act~~  
2 ~~16, section 1772, is amended to read:~~

3 49.45 (6t) ~~COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING~~

4 ~~DEFICIT REDUCTION~~ (a) (intro.) From the appropriation under s. 20.435 (4) (o), for  
5 reduction of operating deficits, as defined under criteria developed by the  
6 department, incurred by a county department under s. 46.215, 46.22, 46.23, or 51.42  
7 or by a local health department, as defined in s. 250.01 (4), for services provided  
8 under s. 49.46 (2) (a) 4. d. and (b) 6. f., fm., j., k., and L., ~~and Lm.~~, 9., and 15., for case  
9 management services under s. 49.46 (2) (b) 12. and for mental health day treatment  
10 services for minors provided under the authorization under 42 USC 1396d (r) (5), the  
11 department shall allocate moneys in each fiscal year to these county departments,  
12 or local health departments as determined by the department, and shall perform all  
13 of the following:

14 ~~SECTION 2. 49.45 (6t) (a) of the statutes, as affected by 2001 Wisconsin Act 16,~~  
15 ~~section 1774, is amended to read:~~

16 ~~49.45 (6t) (a)~~ (1) For the reduction of operating deficits incurred by the county  
17 departments or local health departments, estimate the availability of federal  
18 medicaid funds that may be matched to county, city, town, or village funds that are  
19 expended for costs in excess of reimbursement for services provided under s. 49.46  
20 (2) (a) 4. d. and (b) 6. f., fm., j., k., and L., ~~and Lm.~~, 9., and 15., for case management  
21 services under s. 49.46 (2) (b) 12. and for mental health day treatment services for  
22 minors provided under the authorization under 42 USC 1396d (r) (5).

23 SECTION 3. 49.45 (30e) of the statutes is repealed.

24 SECTION 4. 49.46 (2) (b) 6. Lm. of the statutes is repealed.

INSERT 2-15

\*\*\*\* This is reconciled s. 49.45 (6t).

This section has been affected by drafts

with the following LRB #s: <sup>LRB</sup>1-0030/P1 and <sup>LRB</sup>1-1611/3.

D-NOTE

Dak

DAK: kjf

To Robert Blaine:

This draft reconciles LRB-0030/1 and  
LRB-1611/3. Both LRB-0030 and LRB-1611  
should continue to appear in the compiled  
bill.

DAK

It adds the treatment of s. 49.45  
(6t) (intro.) and (a) to LRB-1611.



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

LRB-1611/4dn  
DAK:kjf:pg

February 6, 2003

To Robert Blaine:

This draft reconciles LRB-0030/1 and LRB-1611/3. It adds the treatment of s. 49.45 (6t) (intro.) and (a) to LRB-1611. Both LRB-0030 and LRB-1611 should continue to appear in the compiled bill.

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



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-1611/45  
DAK:cmh&kmg&kjf:eg  
stays

DOA:.....Blaine – BB0384 County services deficit reduction benefit  
FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT <sup>Don't</sup> <sup>Men. Cost -</sup> relating to: the budget.

*Analysis by the Legislative Reference Bureau*  
**HEALTH AND HUMAN SERVICES**  
**MEDICAL ASSISTANCE**

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3           renumbered, are amended to read:

4           49.45 (6t) (a) (intro.) From the appropriation under s. 20.435 (4) (o), for  
5           reduction of operating deficits, as defined under criteria developed by the  
6           department, incurred by a county department under s. 46.215, 46.22, 46.23, or 51.42  
7           or by a local health department, as defined in s. 250.01 (4), for services provided  
8           under s. 49.46 (2) (a) 4. d. and (b) 6. f., fm., j., k., and L., ~~and Lm.~~, 9., and 15., for case  
9           management services under s. 49.46 (2) (b) 12. and for mental health day treatment  
10          services for minors provided under the authorization under 42 USC 1396d (r) (5), the  
11          department shall allocate moneys in each fiscal year to these county departments,  
12          or local health departments as determined by the department, and shall perform all  
13          of the following:

14           1. For the reduction of operating deficits incurred by the county departments  
15          or local health departments, estimate the availability of federal medicaid funds that  
16          may be matched to county, city, town, or village funds that are expended for costs in  
17          excess of reimbursement for services provided under s. 49.46 (2) (a) 4. d. and (b) 6.  
18          f., fm., j., k., and L., ~~and Lm.~~, 9., and 15., for case management services under s. 49.46  
19          (2) (b) 12. and for mental health day treatment services for minors provided under  
20          the authorization under 42 USC 1396d (r) (5).

1           2. (intro.) Based on the amount estimated to be available under ~~par. (a)~~ subd.  
2 1., develop a method, which need not be promulgated as rules under ch. 227, to  
3 distribute this allocation to the individual county departments under s. 46.215,  
4 46.22, 46.23 or 51.42 or to local health departments that have incurred operating  
5 deficits that shall include all of the following:

6           3. Except as provided in ~~par. (d)~~ subd. 4., distribute the allocation under the  
7 distribution method that is developed.

8           4. If the federal department of health and human services approves for state  
9 expenditure in a fiscal year amounts under s. 20.435 (4) (o) that result in a lesser  
10 allocation amount than that allocated under this subsection or disallows use of the  
11 allocation of federal medicaid funds under ~~par. (e)~~ subd. 3., reduce allocations under  
12 this subsection and distribute on a prorated basis, as determined by the department.

\*\*\*\*NOTE: This is reconciled s. 49.45 (6t). This SECTION has been affected by drafts  
with the following LRB numbers: LRB-0030/P1 and LRB-1611/3.

13           **SECTION 2.** 49.45 (6t) (b) of the statutes is created to read:

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15 this subsection does not apply.

16           **SECTION 9124. Nonstatutory provisions; health and family services.**

17           (1) COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING DEFICIT  
18 REDUCTION.

19           (a) If an amendment to the state medical assistance plan that provides for a  
20 revised payment methodology for medical assistance services that are provided by  
21 a local government is approved by the federal center for medicare and medicaid  
22 services before July 1, 2005, no county department under section 46.215, 46.22,  
23 46.23, or 51.42 of the statutes and no local health department, as defined in section

1 250.01 (4) of the statutes, may receive a distribution of an allocation under section  
2 49.45 (6t) of the statutes.

3 (b) If paragraph (a) applies, any county department or local health department  
4 that has received distribution of an allocation under section 49.45 (6t) of the statutes  
5 for any year after 2002 shall, upon demand by the department of health and family  
6 services, return to the department of health and family services all those moneys so  
7 distributed.

8 (END)

*, as affected by this act*

*, as affected by this act,*



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-1611/5  
DAK:cmh&kmg&kjf:pg

DOA:.....Blaine – BB0384 County services deficit reduction benefit

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

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

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**MEDICAL ASSISTANCE**

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1           **SECTION 1.** 49.45 (6t) of the statutes, as affected by 2001 Wisconsin Act 16, is  
2           renumbered 49.45 (6t) (a), and 49.45 (6t) (a) (intro.), 1., 2. (intro.), 3. and 4., as  
3           renumbered, are amended to read:

4           49.45 (6t) (a) (intro.) From the appropriation under s. 20.435 (4) (o), for  
5           reduction of operating deficits, as defined under criteria developed by the  
6           department, incurred by a county department under s. 46.215, 46.22, 46.23, or 51.42  
7           or by a local health department, as defined in s. 250.01 (4), for services provided  
8           under s. 49.46 (2) (a) 4. d. and (b) 6. f., fm., j., k., and L., ~~and Lm.~~, 9., and 15., for case  
9           management services under s. 49.46 (2) (b) 12. and for mental health day treatment  
10          services for minors provided under the authorization under 42 USC 1396d (r) (5), the  
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12          or local health departments as determined by the department, and shall perform all  
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16          may be matched to county, city, town, or village funds that are expended for costs in  
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18          f., fm., j., k., and L., ~~and Lm.~~, 9., and 15., for case management services under s. 49.46  
19          (2) (b) 12. and for mental health day treatment services for minors provided under  
20          the authorization under 42 USC 1396d (r) (5).

1           2. (intro.) Based on the amount estimated to be available under ~~par. (a)~~ subd.  
2 1., develop a method, which need not be promulgated as rules under ch. 227, to  
3 distribute this allocation to the individual county departments under s. 46.215,  
4 46.22, 46.23 or 51.42 or to local health departments that have incurred operating  
5 deficits that shall include all of the following:

6           3. Except as provided in ~~par. (d)~~ subd. 4., distribute the allocation under the  
7 distribution method that is developed.

8           4. If the federal department of health and human services approves for state  
9 expenditure in a fiscal year amounts under s. 20.435 (4) (o) that result in a lesser  
10 allocation amount than that allocated under this subsection or disallows use of the  
11 allocation of federal medicaid funds under ~~par. (e)~~ subd. 3., reduce allocations under  
12 this subsection and distribute on a prorated basis, as determined by the department.

\*\*\*\*NOTE: This is reconciled s. 49.45 (6t). This SECTION has been affected by drafts  
with the following LRB numbers: LRB-0030/P1 and LRB-1611/3.

13           **SECTION 2.** 49.45 (6t) (b) of the statutes is created to read:

14           49.45 (6t) (b) If 2003 Wisconsin Act .... (this act), section 9124 (1) (a) applies,  
15 this subsection does not apply.

16           **SECTION 9124. Nonstatutory provisions; health and family services.**

17           (1) COUNTY DEPARTMENT AND LOCAL HEALTH DEPARTMENT OPERATING DEFICIT  
18 REDUCTION.

19           (a) If an amendment to the state medical assistance plan that provides for a  
20 revised payment methodology for medical assistance services that are provided by  
21 a local government is approved by the federal center for medicare and medicaid  
22 services before July 1, 2005, no county department under section 46.215, 46.22,  
23 46.23, or 51.42 of the statutes and no local health department, as defined in section



1 250.01 (4) of the statutes, may receive a distribution of an allocation under section  
2 49.45 (6t) of the statutes, as affected by this act.

3 (b) If paragraph (a) applies, any county department or local health department  
4 that has received distribution of an allocation under section 49.45 (6t) of the statutes,  
5 as affected by this act, for any year after 2002 shall, upon demand by the department  
6 of health and family services, return to the department of health and family services  
7 all those moneys so distributed.

8 (END)