

1 **SECTION 1380.** 49.45 (25) (bj) of the statutes is created to read:

2 49.45 (25) (bj) The department of corrections may elect to provide case
3 management services under this subsection to persons who are under the
4 supervision of that department under s. 938.183, 938.34 (4h), (4m), or (4n), or
5 938.357 (4), who are Medical Assistance beneficiaries, and who meet one or more of
6 the conditions specified in par. (am). The amount of the allowable charges for those
7 services under the Medical Assistance program that is not provided by the federal
8 government shall be paid from the appropriation account under s. 20.410 (3) (hm),
9 (ho), or (hr).

10 **SECTION 1381.** 49.45 (25) (c) of the statutes is amended to read:

11 49.45 (25) (c) Except as provided in pars. (b), (be) ~~and~~, (bg), and (bj), the
12 department shall reimburse a provider of case management services under this
13 subsection only for the amount of the allowable charges for those services under the
14 ~~medical assistance~~ Medical Assistance program that is provided by the federal
15 government.

16 **SECTION 1382c.** 49.45 (30e) (a) 5. of the statutes is created to read:

17 49.45 (30e) (a) 5. Any other condition required by rule under par. (b) 4. is
18 satisfied.

19 **SECTION 1382e.** 49.45 (30e) (b) 4. of the statutes is created to read:

20 49.45 (30e) (b) 4. Any other conditions for coverage of community-based
21 psychosocial services under the Medical Assistance Program.

22 **SECTION 1383.** 49.45 (30m) of the statutes is renumbered 49.45 (30m) (a)
23 (intro.) and amended to read:

24 49.45 (30m) (a) (intro.) Except as provided in par. (am), a county shall provide
25 the portion of the payment that is not provided by the federal government for all of

1 the following services ~~under s. 51.06 (1m) (d)~~ to individuals with developmental
2 disability who are eligible for medical assistance ~~that is not provided by the federal~~
3 ~~government.~~

4 **SECTION 1384.** 49.45 (30m) (a) 1. of the statutes is created to read:

5 49.45 (30m) (a) 1. Services under s. 51.06 (1m) (d).

6 **SECTION 1385.** 49.45 (30m) (a) 2. of the statutes is created to read:

7 49.45 (30m) (a) 2. Services in an intermediate care facility for the mentally
8 retarded, as defined in s. 46.278 (1m) (am), other than a state center for the
9 developmentally disabled.

10 **SECTION 1386.** 49.45 (30m) (a) 3. of the statutes is created to read:

11 49.45 (30m) (a) 3. Services for which payment is permitted under sub. (6c) (d)
12 2. that are provided in a nursing facility, as defined in s. 46.279 (1) (c).

13 **SECTION 1386d.** 49.45 (30m) (am) of the statutes is created to read:

14 49.45 (30m) (am) The department shall provide the portion of the payment that
15 is not provided by the federal government for any of the services specified in par. (a)
16 1. to 3. that are provided to an individual with developmental disability who is
17 eligible for medical assistance, as determined under the contract under s. 46.279
18 (4m).

19 **SECTION 1387.** 49.45 (30m) (b) of the statutes is created to read:

20 49.45 (30m) (b) No payment under this section may be made for services
21 specified under par. (a) or (am) unless the individual who receives the services is
22 protectively placed under s. 55.06 (9) (a) or is placed under an emergency placement
23 under s. 55.06 (11) (a) or a temporary placement under s. 55.06 (11) (c).

24 **SECTION 1388.** 49.45 (30m) (c) of the statutes is created to read:

1 49.45 (30m) (c) No payment under this section may be made for services
2 specified under par. (a) 2. or 3. that are provided to an individual who was placed in
3 or admitted to an intermediate facility, as defined in s. 46.279 (1) (b), or nursing
4 facility, as defined in s. 46.279 (1) (c), unless one of the following applies:

5 1. Any placement or admission that is made after April 30, 2005, complied with
6 the requirements of s. 46.279.

7 2. For an individual who was protectively placed under ch. 55 at any time, any
8 annual review that is conducted under s. 55.06 (10) (a) 1. after April 30, 2005,
9 complies with the requirements of s. 55.06 (10) (a) 2.

10 **SECTION 1389.** 49.45 (36) of the statutes is amended to read:

11 49.45 (36) HOMELESS BENEFICIARIES. ~~A~~ The department or a county department
12 under s. 46.215, 46.22, or 46.23 may not place the word “homeless” on the medical
13 assistance identification card of any person who is determined to be eligible for
14 medical assistance benefits and who is homeless.

15 **SECTION 1390.** 49.45 (39) (b) 1. of the statutes is amended to read:

16 49.45 (39) (b) 1. ‘Payment for school medical services.’ If a school district or a
17 cooperative educational service agency elects to provide school medical services and
18 meets all requirements under par. (c), the department shall reimburse the school
19 district or the cooperative educational service agency for 60% of the federal share of
20 allowable charges for the school medical services that it provides and, as specified
21 in subd. 2., for allowable administrative costs. If the Wisconsin Center for the Blind
22 and Visually Impaired or the Wisconsin Educational Services Program for the Deaf
23 and Hard of Hearing elects to provide school medical services and meets all
24 requirements under par. (c), the department shall reimburse the department of
25 public instruction for 60% of the federal share of allowable charges for the school

1 medical services that the Wisconsin Center for the Blind and Visually Impaired or
2 the Wisconsin Educational Services Program for the Deaf and Hard of Hearing
3 provides and, as specified in subd. 2., for allowable administrative costs. A school
4 district, cooperative educational service agency, the Wisconsin Center for the Blind
5 and Visually Impaired or the Wisconsin Educational Services Program for the Deaf
6 and Hard of Hearing may submit, and the department shall allow, claims for common
7 carrier transportation costs as a school medical service unless the department
8 receives notice from the federal health care financing administration that, under a
9 change in federal policy, the claims are not allowed. If the department receives the
10 notice, a school district, cooperative educational service agency, the Wisconsin
11 Center for the Blind and Visually Impaired, or the Wisconsin Educational Services
12 Program for the Deaf and Hard of Hearing may submit, and the department shall
13 allow, unreimbursed claims for common carrier transportation costs incurred before
14 the date of the change in federal policy. The department shall promulgate rules
15 establishing a methodology for making reimbursements under this paragraph. All
16 Except as provided in subd. 1m., all other expenses for the school medical services
17 provided by a school district or a cooperative educational service agency shall be paid
18 for by the school district or the cooperative educational service agency with funds
19 received from state or local taxes. The school district, the Wisconsin Center for the
20 Blind and Visually Impaired, the Wisconsin Educational Services Program for the
21 Deaf and Hard of Hearing, or the cooperative educational service agency shall
22 comply with all requirements of the federal department of health and human
23 services for receiving federal financial participation.

24 **SECTION 1391.** 49.45 (39) (b) 1m. of the statutes is created to read:

1 49.45 (39) (b) 1m. ‘Supplementary payment for school medical services.’ In
2 addition to the reimbursement the department provides under subd. 1. to a school
3 district or cooperative educational service agency for school medical services, the
4 department may make supplementary payments from the appropriation accounts
5 under s. 20.435 (4) (b) and (o). The total of the supplementary payments and
6 allowable charges paid under subd. 1. may not exceed applicable limitations on
7 payments under 42 USC 1396a (a) (30) (A).

8 **SECTION 1392.** 49.45 (39) (b) 2. of the statutes is amended to read:

9 49.45 (39) (b) 2. ‘Payment for school medical services administrative costs.’ The
10 department shall reimburse a school district or a cooperative educational service
11 agency specified under ~~subd. 1.~~ subds. 1. and 1m. and shall reimburse the
12 department of public instruction on behalf of the Wisconsin Center for the Blind and
13 Visually Impaired or the Wisconsin Educational Services Program for the Deaf and
14 Hard of Hearing for 90% of the federal share of allowable administrative costs, using
15 time studies, beginning in fiscal year 1999–2000. A school district or a cooperative
16 educational service agency may submit, and the department of health and family
17 services shall allow, claims for administrative costs incurred during the period that
18 is up to 24 months before the date of the claim, if allowable under federal law.

19 **SECTION 1392p.** 49.45 (49) (a) (intro.) of the statutes is renumbered 49.45 (49)
20 (bm) and amended to read:

21 49.45 (49) (bm) The secretary shall exercise his or her authority under s. 15.04
22 (1) (c) to create a prescription drug prior authorization and therapeutics committee
23 to advise the department on issues related to prior authorization decisions made
24 concerning prescription drugs on behalf of medical assistance recipients.—The
25 secretary ~~shall appoint as members at least all of the following:~~ and to advise the

1 department on the research, development, and approval of any preferred drug list
2 for the Medical Assistance program or the program under s. 49.665 or 49.668.

3 **SECTION 1392q.** 49.45 (49) (a) 1. of the statutes is repealed.

4 **SECTION 1392r.** 49.45 (49) (a) 2. and 3. of the statutes are renumbered 49.45
5 (49) (c) 6. and 7.

6 **SECTION 1392rj.** 49.45 (49) (ag) of the statutes is created to read:

7 49.45 (49) (ag) In this subsection:

8 1. “Labeler” means a person who receives prescription drugs from a
9 manufacturer or wholesaler and repackages those drugs for later retail sale, and has
10 a labeler code issued by the federal food and drug administration under 21 CFR
11 207.20 (b).

12 2. “Manufacturer” means a person who is engaged in the production,
13 preparation, propagation, compounding, conversion, or processing of prescription
14 drugs.

15 3. “Physician” has the meaning given in s. 448.01 (5).

16 **SECTION 1392s.** 49.45 (49) (b) of the statutes is renumbered 49.45 (49) (g) and
17 amended to read:

18 49.45 (49) (g) The prescription drug prior authorization and therapeutics
19 committee shall accept information or commentary from representatives of the
20 pharmaceutical manufacturing industry in the committee’s review of prior
21 authorization policies.

22 **SECTION 1392t.** 49.45 (49) (c), (d), (e), (f), (h) and (i) of the statutes are created
23 to read:

24 49.45 (49) (c) The secretary shall appoint as members of the prescription drug
25 prior authorization and therapeutics committee at least all of the following:

1 1. A physician who has expertise in family practice.

2 2. A physician who has expertise in pediatrics.

3 3. A physician who has expertise in geriatrics.

4 4. A physician who has expertise in psychiatry.

5 5. A physician who has expertise in internal medicine and specializes in the
6 treatment of diabetes.

7 (d) A person who is employed by or under contract with a manufacturer, a
8 labeler, or the state may not serve as a member of the prescription drug prior
9 authorization and therapeutics committee, except that the following agreements do
10 not bar a person from serving as a member of the committee:

11 1. An agreement with the department to comply with the requirements for
12 provider certification under sub. (2) (a) 11.

13 2. An agreement between a physician or pharmacist and a manufacturer for
14 the physician or pharmacist to conduct research in return for grant funding from a
15 manufacturer.

16 (e) If a physician or pharmacist who is a member of the prescription drug prior
17 authorization and therapeutics committee receives any grant funding from a
18 manufacturer to conduct research, the physician or pharmacist must disclose the
19 grant funding to the department. Any physician or pharmacist who is a candidate
20 for membership on the committee and receives such grant funding must disclose the
21 grant funding to the department before the secretary appoints the person as a
22 member of the committee.

23 (f) During the first meeting of the prescription drug prior authorization and
24 therapeutics committee in each calendar year, the committee shall elect a member
25 to serve as the chairperson of the committee for a one-year term. The committee

1 shall meet at least once annually and on the call of the chairperson. A majority of
2 the committee constitutes a quorum to do business. Recommendations of the
3 committee shall be determined by majority vote.

4 (h) The department shall consider all relevant recommendations of the
5 prescription drug prior authorization and therapeutics committee before requiring
6 prior authorization for a prescription drug under the Medical Assistance program or
7 under s. 49.665 or 49.668.

8 (i) By January 1 annually, the department shall submit a report to the governor,
9 the members of the joint committee on finance, and the appropriate standing
10 committees of the legislature under s. 13.172 (3), on any changes that the
11 department made in the previous 12 months to department policies related to prior
12 authorization for prescription drugs under the Medical Assistance program or the
13 program under s. 49.665 or 49.668, and shall include all of the following in the report:

14 1. The name and therapeutic class for each prescription drug for which the
15 department changed prior authorization policies.

16 2. The criteria for approving a prior authorization request for any prescription
17 drug identified under subd. 1.

18 3. Identification of any differences between the policies adopted by the
19 department and relevant recommendations of the prescription drug prior
20 authorization and therapeutics committee and, if applicable, the clinical and
21 scientific reasons for diverging from the committee's recommendations.

22 **SECTION 1393.** 49.45 (49m) of the statutes is created to read:

23 49.45 (49m) PRESCRIPTION DRUG COST CONTROLS; PURCHASING AGREEMENTS. (a)

24 In this section:

25 1. "Brand name" has the meaning given in s. 450.12 (1) (a).

1 2. “Generic name” has the meaning given in s. 450.12 (1) (b).

2 3. “Prescription drug” has the meaning given in s. 450.01 (20).

3 (b) The department may enter into a multi–state purchasing agreement with
4 another state or a purchasing agreement with a purchaser of prescription drugs if
5 the other state or purchaser agrees to participate in one or more of the activities
6 specified in par. (c) 1. to 4.

7 (c) The department may design and implement a program to reduce the cost
8 of prescription drugs and to maintain high quality in prescription drug therapies,
9 which shall include all of the following:

10 1. A list of the prescription drugs that are included as a benefit under s. 49.46
11 (2) (b) 6. h. that identifies preferred choices within therapeutic classes and includes
12 prescription drugs that bear only generic names.

13 2. Establishing supplemental rebates under agreements with prescription
14 drug manufacturers for prescription drugs provided to recipients under Medical
15 Assistance and Badger Care and to eligible persons under s. 49.688 and, if it is
16 possible to implement the program without adversely affecting supplemental
17 rebates for Medical Assistance, Badger Care, and prescription drug assistance under
18 s. 49.688, to beneficiaries of participants under par. (b).

19 3. Utilization management and fraud and abuse controls.

20 4. Any other activity to reduce the cost of or expenditures for prescription drugs
21 and maintain high quality in prescription drug therapies.

22 (cg) The department shall consider all relevant recommendations of the
23 prescription drug prior authorization and therapeutics committee before including
24 a prescription drug on, or excluding a prescription drug from, a list under par. (c) 1.

1 (cr) 1. Except as provided in subd. 2., the department may not require prior
2 authorization for a prescription drug under s. 49.46 (2) (b) 6. h. that is prescribed to
3 treat a mental illness.

4 2. The department may require prior authorization for a selective serotonin
5 reuptake inhibitor that is first prescribed for a person on or after March 15, 2004.

6 (d) The department may enter into a contract with an entity to perform any of
7 the duties and exercise any of the powers of the department under this subsection.

8 **SECTION 1393c.** 49.45 (51) of the statutes is created to read:

9 49.45 (51) MEDICAL CARE TRANSPORTATION SERVICES. (a) By November 1
10 annually, the department shall provide to the department of revenue information
11 concerning the estimated amounts of supplements payable from the appropriation
12 under s. 20.435 (4) (b) to specific local governmental units for the provision of
13 transportation for medical care, as specified under s. 49.46 (2) (b) 3., during the fiscal
14 year. Beginning November 1, 2004, the information that the department provides
15 under this paragraph shall include any adjustments necessary to reflect actual
16 claims submitted by service providers in the previous fiscal year.

17 (b) On the date that is the 3rd Monday in November, the department shall
18 annually pay to specific local governmental units the estimated net amounts
19 specified in par. (a).

20 **SECTION 1401.** 49.46 (2) (a) 4. c. of the statutes is amended to read:

21 49.46 (2) (a) 4. c. Skilled nursing home services other than in an institution for
22 mental diseases, except as limited under s. 49.45 (6c) and (30m) (b) and (c).

23 **SECTION 1402.** 49.46 (2) (b) 6. a. of the statutes is amended to read:

24 49.46 (2) (b) 6. a. Intermediate care facility services other than in an institution
25 for mental diseases, except as limited under s. 49.45 (30m) (b) and (c).

1 **SECTION 1403d.** 49.46 (2) (b) 8. of the statutes is amended to read:

2 49.46 (2) (b) 8. Home or community-based services, if provided under s. 46.27
3 (11), 46.275, 46.277 or 46.278 or, under the family care benefit if a waiver is in effect
4 under s. 46.281 (1) (c), or under a waiver requested under 2001 Wisconsin Act 16,
5 section 9123 (16rs), or 2003 Wisconsin Act ... (this act), section 9124 (8c).

6 **SECTION 1404.** 49.472 (6) (a) of the statutes is amended to read:

7 49.472 (6) (a) Notwithstanding sub. (4) (a) 3., from the appropriation account
8 under s. 20.435 (4) (b), (gp), or (w), the department shall, on the part of an individual
9 who is eligible for medical assistance under sub. (3), pay premiums for or purchase
10 individual coverage offered by the individual's employer if the department
11 determines that paying the premiums for or purchasing the coverage will not be more
12 costly than providing medical assistance.

13 **SECTION 1405.** 49.472 (6) (b) of the statutes is amended to read:

14 49.472 (6) (b) If federal financial participation is available, from the
15 appropriation account under s. 20.435 (4) (b), (gp), or (w), the department may pay
16 medicare Part A and Part B premiums for individuals who are eligible for medicare
17 and for medical assistance under sub. (3).

18 **SECTION 1406.** 49.473 (title) of the statutes is amended to read:

19 **49.473 (title) Medical assistance; women diagnosed with breast or**
20 **cervical cancer or precancerous conditions.**

21 **SECTION 1407.** 49.473 (2) (c) of the statutes is amended to read:

22 49.473 (2) (c) The woman is not eligible for health care coverage that qualifies
23 as creditable coverage in 42 USC 300gg (c), excluding the coverage specified in 42
24 USC 300gg (c) (1) (F).

25 **SECTION 1408.** 49.473 (2) (e) of the statutes is amended to read:

1 49.473 (2) (e) The woman requires treatment for breast or cervical cancer or
2 for a precancerous condition of the breast or cervix.

3 **SECTION 1409.** 49.473 (5) of the statutes is amended to read:

4 49.473 (5) The department shall audit and pay, from the appropriation
5 accounts under s. 20.435 (4) (b), (gp), and (o), allowable charges to a provider who is
6 certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who
7 meets the requirements under sub. (2) for all benefits and services specified under
8 s. 49.46 (2).

9 **SECTION 1410.** 49.473 (6) (b) of the statutes is amended to read:

10 49.473 (6) (b) Inform the woman at the ~~of~~ time of the determination that she
11 is required to apply to the department or a county department for medical assistance
12 no later than the last day of the month following the month in which the qualified
13 entity determines that the woman is eligible for medical assistance.

14 **SECTION 1412.** 49.496 (4) of the statutes is amended to read:

15 49.496 (4) ADMINISTRATION. The department may require a county department
16 under s. 46.215, 46.22, or 46.23 or the governing body of a federally recognized
17 American Indian tribe administering medical assistance to gather and provide the
18 department with information needed to recover medical assistance under this
19 section. The department shall pay to a county department or tribal governing body
20 an amount equal to 5% of the recovery collected by the department relating to a
21 beneficiary for whom the county department or tribal governing body made the last
22 determination of medical assistance eligibility. A county department or tribal
23 governing body may use funds received under this subsection only to pay costs
24 incurred under this subsection and, if any amount remains, to pay for improvements
25 to functions required under s. ~~49.33~~ 49.78 (2). The department may withhold

1 payments under this subsection for failure to comply with the department's
2 requirements under this subsection. The department shall treat payments made
3 under this subsection as costs of administration of the ~~medical assistance~~ Medical
4 Assistance program.

5 **SECTION 1413.** 49.498 (16) (g) of the statutes is amended to read:

6 49.498 (16) (g) All forfeitures, penalty assessments, and interest, if any, shall
7 be paid to the department within 10 days of receipt of notice of assessment or, if the
8 forfeiture, penalty assessment, and interest, if any, are contested under par. (f),
9 within 10 days of receipt of the final decision after exhaustion of administrative
10 review, unless the final decision is appealed and the order is stayed by court order
11 under sub. (19) (b). The department shall remit all forfeitures paid to the state
12 ~~treasurer~~ secretary of administration for deposit in the school fund. The department
13 shall deposit all penalty assessments and interest in the appropriation under s.
14 20.435 (6) (g).

15 **SECTION 1414.** 49.665 (2) (title) of the statutes is amended to read:

16 49.665 (2) (title) ~~WAIVER~~ WAIVERS.

17 **SECTION 1415.** 49.665 (2) of the statutes is renumbered 49.665 (2) (a) and
18 amended to read:

19 49.665 (2) (a) The department of health and family services shall request a
20 waiver from the secretary of the federal department of health and human services
21 to permit the department of health and family services to implement, beginning not
22 later than July 1, 1998, or the effective date of the waiver, whichever is later, a health
23 care program under this section. If a waiver that is consistent with all of the
24 provisions of this section, excluding sub. (4) (a) 3m., is granted and in effect, the
25 department of health and family services shall implement the program under this

1 section. The department of health and family services may not implement the
2 program under this section unless a waiver that is consistent with all of the
3 provisions of this section, excluding sub. (4) (a) 3m., is granted and in effect.

4 **SECTION 1416.** 49.665 (2) (b) of the statutes is created to read:

5 49.665 (2) (b) If the department of health and family services determines that
6 it needs a waiver to require the verification specified in sub. (4) (a) 3m., the
7 department shall request a waiver from the secretary of the federal department of
8 health and human services and may not implement the verification requirement
9 under sub. (4) (a) 3m. unless the waiver is granted. If a waiver is required and is
10 granted, the department of health and family services may implement the
11 verification requirement under sub. (4) (a) 3m. as appropriate. If a waiver is not
12 required, the department of health and family services may require the verification
13 specified in sub. (4) (a) 3m. for eligibility determinations and annual review
14 eligibility determinations made by the department, beginning on January 1, 2004.

15 **SECTION 1417.** 49.665 (4) (a) 3m. of the statutes is created to read:

16 49.665 (4) (a) 3m. Each member of the family who is employed provides
17 verification from his or her employer, in the manner specified by the department, of
18 his or her earnings, of whether the employer provides health care coverage for which
19 the family is eligible, and of the amount that the employer pays, if any, towards the
20 cost of the health care coverage, excluding any deductibles or copayments required
21 under the coverage.

22 **SECTION 1419.** 49.665 (5) (a) of the statutes is renumbered 49.665 (5) (ag) and
23 amended to read:

24 49.665 (5) (ag) Except as provided in pars. (am), (b), and (bm), a family, or child
25 who does not reside with his or her parent, who receives health care coverage under

1 this section shall pay a percentage of the cost of that coverage in accordance with a
2 schedule established by the department by rule. If the schedule established by the
3 department requires a family, or child who does not reside with his or her parent, to
4 contribute more than 3% of the family's or child's income towards the cost of the
5 health care coverage provided under this section, the department shall submit the
6 schedule to the joint committee on finance for review and approval of the schedule.
7 If the cochairpersons of the joint committee on finance do not notify the department
8 within 14 working days after the date of the department's submittal of the schedule
9 that the committee has scheduled a meeting to review the schedule, the department
10 may implement the schedule. If, within 14 days after the date of the department's
11 submittal of the schedule, the cochairpersons of the committee notify the department
12 that the committee has scheduled a meeting to review the schedule, the department
13 may not require a family, or child who does not reside with his or her parent, to
14 contribute more than 3% of the family's or child's income unless the joint committee
15 on finance approves the schedule. The joint committee on finance may not approve
16 and the department may not implement a schedule that requires a family or child
17 to contribute, including the amounts required under par. (am), more than 3.5% of the
18 family's or child's income towards the cost of the health care coverage provided under
19 this section.

20 **SECTION 1420.** 49.665 (5) (ac) of the statutes is created to read:

21 49.665 (5) (ac) In this subsection, "cost" means total cost-sharing charges,
22 including premiums, copayments, coinsurance, deductibles, enrollment fees, and
23 any other cost-sharing charges.

24 **SECTION 1421.** 49.665 (5) (ag) of the statutes, as affected by 2003 Wisconsin Act
25 (this act), is amended to read:

1 49.665 (5) (ag) Except as provided in pars. (am), (b), and (bm), a family, or child
2 who does not reside with his or her parent, who receives health care coverage under
3 this section shall pay a percentage of the cost of that coverage in accordance with a
4 schedule established by the department by rule. ~~If the schedule established by the~~
5 ~~department requires a family, or child who does not reside with his or her parent, to~~
6 ~~contribute more than 3% of the family's or child's income towards the cost of the~~
7 ~~health care coverage provided under this section, the department shall submit the~~
8 ~~schedule to the joint committee on finance for review and approval of the schedule.~~
9 ~~If the cochairpersons of the joint committee on finance do not notify the department~~
10 ~~within 14 working days after the date of the department's submittal of the schedule~~
11 ~~that the committee has scheduled a meeting to review the schedule, the department~~
12 ~~may implement the schedule. If, within 14 days after the date of the department's~~
13 ~~submittal of the schedule, the cochairpersons of the committee notify the department~~
14 ~~that the committee has scheduled a meeting to review the schedule, the department~~
15 ~~may not require a family, or child who does not reside with his or her parent, to~~
16 ~~contribute more than 3% of the family's or child's income unless the joint committee~~
17 ~~on finance approves the schedule. The joint committee on finance may not approve~~
18 ~~and the~~ The department may not establish or implement a schedule that requires a
19 family or child to contribute, including the amounts required under par. (am), more
20 than ~~3.5%~~ 5% of the family's or child's income towards the cost of the health care
21 coverage provided under this section.

22 **SECTION 1422.** 49.665 (5) (am) of the statutes is created to read:

23 49.665 (5) (am) Except as provided in pars. (b) and (bm), a child or family
24 member who receives health care coverage under this section shall pay the following
25 cost-sharing amounts:

1 1. A copayment of \$1 for each prescription of a drug that bears only a generic
2 name, as defined in s. 450.12 (1) (b).

3 2. A copayment of \$3 for each prescription of a drug that bears a brand name,
4 as defined in s. 450.12 (1) (a).

5 **SECTION 1423.** 49.68 (3) (a) of the statutes is amended to read:

6 49.68 (3) (a) Any Subject to s. 49.687 (1m), any permanent resident of this state
7 who suffers from chronic renal disease may be accepted into the dialysis treatment
8 phase of the renal disease control program if the resident meets standards set by rule
9 under sub. (2) and s. 49.687.

10 **SECTION 1424.** 49.68 (3) (d) 1. of the statutes is amended to read:

11 49.68 (3) (d) 1. No aid may be granted under this subsection unless the recipient
12 has no other form of aid available from the federal medicare program ~~or~~, from private
13 health, accident, sickness, medical, and hospital insurance coverage, or from other
14 health care coverage specified by rule under s. 49.687 (1m) (b). If insufficient aid is
15 available from other sources and if the recipient has paid an amount equal to the
16 annual medicare deductible amount specified in subd. 2., the state shall pay the
17 difference in cost to a qualified recipient. If at any time sufficient federal or private
18 insurance aid or other health care coverage becomes available during the treatment
19 period, state aid under this subsection shall be terminated or appropriately reduced.
20 Any patient who is eligible for the federal medicare program shall register and pay
21 the premium for medicare medical insurance coverage where permitted, and shall
22 pay an amount equal to the annual medicare deductible amounts required under 42
23 USC 1395e and 1395L (b), prior to becoming eligible for state aid under this
24 subsection.

25 **SECTION 1425.** 49.68 (3) (d) 3. of the statutes is created to read:

1 49.68 (3) (d) 3. No payment shall be made under this subsection for any portion
2 of medical treatment costs or other expenses that are payable under any state,
3 federal, or other health care coverage program, including a health care coverage
4 program specified by rule under s. 49.687 (1m) (b), or under any grant, contract, or
5 other contractual arrangement.

6 **SECTION 1426.** 49.68 (3) (e) of the statutes is amended to read:

7 49.68 (3) (e) State aids for ~~services~~ any service provided under this section shall
8 be equal to the lower of the allowable charges charge under the Medical Assistance
9 program under subch. IV or the federal medicare program Medicare program. In no
10 case shall state rates for individual service elements exceed the federally defined
11 allowable costs. The rate of charges for services not covered by public and private
12 insurance shall not exceed the reasonable charges as established by medicare fee
13 determination procedures. A person that provides to a patient a service for which
14 aid is provided under this section shall accept the amount paid under this section for
15 the service as payment in full and may not bill the patient for any amount by which
16 the charge for the service exceeds the amount paid for the service under this section.
17 The state may not pay for the cost of travel, lodging, or meals for persons who must
18 travel to receive inpatient and outpatient dialysis treatment for kidney disease. This
19 paragraph shall not apply to donor related costs as defined in par. (b).

20 **SECTION 1428.** 49.683 (1) of the statutes is amended to read:

21 49.683 (1) ~~The~~ Subject to s. 49.687 (1m), the department may provide financial
22 assistance for costs of medical care of persons over the age of 18 years with the
23 diagnosis of cystic fibrosis who meet financial requirements established by the
24 department by rule under s. 49.687 (1).

25 **SECTION 1429.** 49.683 (3) of the statutes is created to read:

1 49.683 (3) No payment shall be made under this section for any portion of
2 medical care costs that are payable under any state, federal, or other health care
3 coverage program, including a health care coverage program specified by rule under
4 s. 49.687 (1m) (b), or under any grant, contract, or other contractual arrangement.

5 **SECTION 1430.** 49.685 (6) (b) of the statutes is amended to read:

6 49.685 (6) (b) Reimbursement shall not be made under this section for any
7 blood products or supplies ~~which~~ that are not purchased from or provided by a
8 comprehensive hemophilia treatment center, or a source approved by the treatment
9 center. Reimbursement shall not be made under this section for any portion of the
10 costs of blood products or supplies ~~which~~ that are payable under any other state ~~or~~,
11 federal program, or other health care coverage program, including a health care
12 coverage program specified by rule under s. 49.687 (1m) (b), or under any grant,
13 ~~contract and any, or other contractual arrangement.~~

14 **SECTION 1431.** 49.687 (title) of the statutes is amended to read:

15 **49.687 (title) Disease aids; patient requirements; rebate agreements;**
16 **cost containment.**

17 **SECTION 1432.** 49.687 (1) of the statutes is amended to read:

18 49.687 (1) The department shall promulgate rules that require a person who
19 is eligible for benefits under s. 49.68, 49.683, or 49.685 and whose ~~current~~ estimated
20 total family income exceeds specified limits for the current year is at or above 200%
21 of the poverty line to obligate or expend specified portions of the income for medical
22 care for treatment of kidney disease, cystic fibrosis, or hemophilia before receiving
23 benefits under s. 49.68, 49.683, or 49.685. The rules shall require a person to pay
24 0.50% of his or her total family income for the cost of medical treatment covered
25 under s. 49.68, 49.683, or 49.685 if that income is from 200% to 250% of the federal

1 poverty line, 0.75% if that income is more than 250% but not more than 275% of the
2 federal poverty line, 1% if that income is more than 275% but not more than 300%
3 of the federal poverty line, 1.25% if that income is more than 300% but not more than
4 325% of the federal poverty line, 2% if that income is more than 325% but not more
5 than 350% of the federal poverty line, 2.75% if that income is more than 350% but
6 not more than 375% of the federal poverty line, 3.5% if that income is more than 375%
7 but not more than 400% of the federal poverty line, and 4.5% if that income is more
8 than 400% of the federal poverty line.

9 **SECTION 1433.** 49.687 (1m) of the statutes is created to read:

10 49.687 (1m) (a) A person is not eligible to receive benefits under s. 49.68 or
11 49.683 unless before the person applies for benefits under s. 49.68 or 49.683, the
12 person first applies for benefits under all other health care coverage programs
13 specified by the department by rule under par. (b) for which the person reasonably
14 may be eligible.

15 (b) The department shall promulgate rules that specify other health care
16 coverage programs for which a person must apply before applying for benefits under
17 s. 49.68 or 49.683. The programs specified by rule must include the Medical
18 Assistance program under subch. IV, the Badger Care health care program under s.
19 49.665, and the prescription drug assistance for elderly persons program under s.
20 49.688.

21 (c) Using the procedure under s. 227.24, the department may promulgate rules
22 under par. (b) for the period before the effective date of any permanent rules
23 promulgated under par. (b), but not to exceed the period authorized under s. 227.24
24 (1) (c) and (2). Notwithstanding s. 227.24 (1) (a), (2) (b), and (3), the department is
25 not required to provide evidence that promulgating a rule under par. (b) as an

1 emergency rule is necessary for the preservation of the public peace, health, safety,
2 or welfare and is not required to make a finding of emergency for promulgating a rule
3 under par. (b) as an emergency rule.

4 **SECTION 1434.** 49.687 (2) of the statutes is amended to read:

5 49.687 (2) The department shall develop and implement a sliding scale of
6 patient liability for kidney disease aid under s. 49.68, cystic fibrosis aid under s.
7 49.683, and hemophilia treatment under s. 49.685, based on the patient's ability to
8 pay for treatment. ~~To~~ The department shall continuously review the sliding scale for
9 patient liability and revise it as needed to ensure that the needs for treatment of
10 patients with lower incomes receive priority within the availability of funds amounts
11 budgeted under s. 20.435 (4) (e) and (je), ~~the department shall revise the sliding scale~~
12 ~~for patient liability by January 1, 1994, and shall, every 3 years thereafter by~~
13 ~~January 1, review and, if necessary, revise the sliding scale~~ are sufficient to cover
14 treatment costs.

15 **SECTION 1435.** 49.687 (2m) of the statutes is created to read:

16 49.687 (2m) If a pharmacy directly bills the department or an entity with which
17 the department contracts for a drug supplied to a person receiving benefits under s.
18 49.68, 49.683, or 49.685 and prescribed for treatment covered under s. 49.68, 49.683,
19 or 49.685, the person shall pay a \$7.50 copayment amount for each such generic drug
20 and a \$15 copayment amount for each such brand name drug.

21 **SECTION 1436.** 49.687 (3) (a) of the statutes is amended to read:

22 49.687 (3) (a) That, as a condition of coverage for prescription drugs of a
23 manufacturer under s. 49.68, 49.683, or 49.685, the manufacturer shall make rebate
24 payments for each prescription drug of the manufacturer that is prescribed for and
25 purchased by persons who meet eligibility criteria under s. 49.68, 49.683, or 49.685,

1 to the ~~state treasurer~~ secretary of administration to be credited to the appropriation
2 under s. 20.435 (4) (je), each calendar quarter or according to a schedule established
3 by the department.

4 **SECTION 1437.** 49.687 (4) of the statutes is created to read:

5 49.687 (4) The department may adopt managed care methods of cost
6 containment for the programs under ss. 49.68, 49.683, and 49.685.

7 **SECTION 1438h.** 49.688 (2) (b) of the statutes is amended to read:

8 49.688 (2) (b) A person to whom par. (a) 1. to 3. and 5. applies, but whose annual
9 household income, as determined by the department and as modified under sub.
10 (4m), if applicable, exceeds 240% of the federal poverty line for a family the size of
11 the ~~persons'~~ person's eligible family, is eligible to purchase a prescription drug at the
12 amounts specified in sub. (5) (a) 4. only during the remaining amount of any
13 12-month period in which the person has first paid the annual deductible specified
14 in sub. (3) (b) 2. a. in purchasing prescription drugs at the retail price or, if permitted
15 under sub. (4m), in paying premiums for a long-term care insurance policy and has
16 then paid the annual deductible specified in sub. (3) (b) 2. b.

17 **SECTION 1439d.** 49.688 (3) (a) of the statutes is amended to read:

18 49.688 (3) (a) For each 12-month benefit period, a program enrollment fee of
19 ~~\$20~~ \$30.

20 **SECTION 1442.** 49.688 (3) (b) 1. of the statutes is renumbered 49.688 (3) (b) 1.

21 (intro.) and amended to read:

22 49.688 (3) (b) 1. (intro.) For each 12-month benefit period, for a person specified
23 in sub. (2) (a), a deductible for prescription drugs of \$500, ~~except that a person whose~~
24 that is based on the percentage that a person's annual household income, as

1 determined by the department, is ~~160% or less~~ of the federal poverty line for a family
2 the size of the person's eligible family ~~pays no deductible~~, as follows:

3 **SECTION 1443.** 49.688 (3) (b) 1. a. of the statutes is created to read:

4 49.688 (3) (b) 1. a. One hundred sixty percent or less, no deductible.

5 **SECTION 1444.** 49.688 (3) (b) 1. b. of the statutes is created to read:

6 49.688 (3) (b) 1. b. More than 160%, but not more than 200%, \$500.

7 **SECTION 1445.** 49.688 (3) (b) 1. c. of the statutes is created to read:

8 49.688 (3) (b) 1. c. More than 200%, but not more than 240%, \$850.

9 **SECTION 1445h.** 49.688 (3) (b) 2. a. of the statutes is amended to read:

10 49.688 (3) (b) 2. a. The difference between the person's annual household
11 income, as modified under sub. (4m), if applicable, and 240% of the federal poverty
12 line for a family the size of the person's eligible family.

13 **SECTION 1446.** 49.688 (3) (b) 2. b. of the statutes is amended to read:

14 49.688 (3) (b) 2. b. Five Eight hundred fifty dollars.

15 **SECTION 1446g.** 49.688 (3) (c) 2. of the statutes is amended to read:

16 49.688 (3) (c) 2. A copayment of ~~\$15~~ \$20 for each prescription drug that does
17 not bear only a generic name.

18 **SECTION 1446h.** 49.688 (4m) of the statutes is created to read:

19 49.688 (4m) If a person who applies for prescription drug assistance under this
20 section pays premiums for a long-term care insurance policy, as defined in s. 146.91
21 (1), the department either shall treat the amount that the person pays in premiums
22 as a reduction in the person's annual household income for purposes of subs. (2) (b)
23 and (3) (b) 2. a. or shall count the amount paid in premiums towards the deductible
24 specified under sub. (3) (b) 2. a. and required for eligibility under sub. (2) (b).

25 **SECTION 1447.** 49.688 (6) (a) of the statutes is amended to read:

1 49.688 (6) (a) That, except as provided in sub. (7) (b), the manufacturer shall
2 make rebate payments for each prescription drug of the manufacturer that is
3 prescribed for and purchased by persons who meet criteria under sub. (2) (a) and
4 persons who meet criteria under sub. (2) (b) and have paid the deductible under sub.
5 (3) (b) 2. a., to the ~~state treasurer~~ secretary of administration to be credited to the
6 appropriation account under s. 20.435 (4) (j), each calendar quarter or according to
7 a schedule established by the department.

8 **SECTION 1447g.** 49.688 (7) (a) of the statutes is amended to read:

9 49.688 (7) (a) Except as provided in par. (b), from the appropriation accounts
10 under s. 20.435 (4) (bv) ~~and~~, (j), and (pg), beginning on September 1, 2002, the
11 department shall, under a schedule that is identical to that used by the department
12 for payment of pharmacy provider claims under medical assistance, provide to
13 pharmacies and pharmacists payments for prescription drugs sold by the
14 pharmacies or pharmacists to persons eligible under sub. (2) who have paid the
15 deductible specified under sub. (3) (b) 1. or 2. or who, under sub. (3) (b) 1., are not
16 required to pay a deductible. The payment for each prescription drug under this
17 paragraph shall be at the program payment rate, minus any copayment paid by the
18 person under sub. (5) (a) 2. or 4., and plus, if applicable, incentive payments that are
19 similar to those provided under s. 49.45 (8v). The department shall devise and
20 distribute a claim form for use by pharmacies and pharmacists under this paragraph
21 and may limit payment under this paragraph to those prescription drugs for which
22 payment claims are submitted by pharmacists or pharmacies directly to the
23 department. The department may apply to the program under this section the same
24 utilization and cost control procedures that apply under rules promulgated by the
25 department to medical assistance under subch. IV of ch. 49.

1 **SECTION 1447h.** 49.688 (7) (b) of the statutes is amended to read:

2 49.688 (7) (b) During any period in which funding under s. 20.435 (4) (bv) and
3 (pg) is completely expended for the payments specified in par. (a), the requirements
4 of par. (a) and subs. (3) (c), (5), and (6) (a) and (b) do not apply to drugs purchased
5 during that period, but the department shall continue to accept applications and
6 determine eligibility under sub. (4) and shall indicate to applicants that the
7 eligibility of program participants to purchase prescription drugs as specified in sub.
8 (3), under the requirements of sub. (5), is conditioned on the availability of funding
9 under s. 20.435 (4) (bv) and (pg).

10 **SECTION 1448.** 49.78 (5) of the statutes, as affected by 2003 Wisconsin Act ...
11 (this act), is amended to read:

12 49.78 (5) PERSONNEL EXAMINATIONS. Statewide examinations to ascertain
13 qualifications of applicants in any county department administering aid to families
14 with dependent children shall be given by the administrator of the division of merit
15 recruitment and selection in the ~~department of employment relations. The~~
16 ~~department of employment relations~~ office of state human resources management.
17 The office of state human resources management shall be reimbursed for actual
18 expenditures incurred in the performance of its functions under this section from the
19 appropriations available to the department of health and family services for
20 administrative expenditures.

21 **SECTION 1450.** 49.79 (4) of the statutes is amended to read:

22 49.79 (4) DEDUCTIONS FROM COUNTY INCOME MAINTENANCE PAYMENTS. The
23 department shall withhold the value of food stamp losses for which a county or
24 federally recognized American Indian tribe is liable under sub. (3) from the payment

1 to the county or tribe under income maintenance contracts under s. ~~49.33~~ 49.78 and
2 reimburse the federal government from the funds withheld.

3 **SECTION 1450m.** 49.797 (4) (e) of the statutes is created to read:

4 49.797 (4) (e) Pay a supplier, as defined in s. 49.795 (1) (d), a fee of \$.08 for each
5 food stamp purchase or merchandise return transaction or balance inquiry
6 conducted on a point-of-sale terminal that is owned or leased by the supplier for use
7 in the delivery of food stamp benefits.

8 **SECTION 1451.** 49.85 (title) of the statutes is amended to read:

9 **49.85 (title) Certification of certain public assistance overpayments**
10 **and delinquent loan repayments.**

11 **SECTION 1452.** 49.85 (1) of the statutes is amended to read:

12 49.85 (1) DEPARTMENT NOTIFICATION REQUIREMENT. If a county department under
13 s. 46.215, 46.22, or 46.23 or a governing body of a federally recognized American
14 Indian tribe or band determines that the department of health and family services
15 may recover an amount under s. 49.497 or that the department of workforce
16 development may recover an amount under s. 49.161, 49.195 (3), or 49.793, or collect
17 an amount under s. 49.147 (6) (cm), the county department or governing body shall
18 notify the affected department of the determination. If a Wisconsin works agency
19 determines that the department of workforce development may recover an amount
20 under s. 49.161 or 49.195 (3), or collect an amount under s. 49.147 (6) (cm), the
21 Wisconsin works agency shall notify the department of workforce development of the
22 determination.

23 **SECTION 1454.** 49.85 (2) (b) of the statutes is amended to read:

24 49.85 (2) (b) At least annually, the department of workforce development shall
25 certify to the department of revenue the amounts that, based on the notifications

1 received under sub. (1) and on other information received by the department of
2 workforce development, the department of workforce development has determined
3 that it may recover under ss. 49.161, 49.195 (3), and 49.793, and collect under s.
4 49.147 (6) (cm), except that the department of workforce development may not certify
5 an amount under this subsection unless it has met the notice requirements under
6 sub. (3) and unless its determination has either not been appealed or is no longer
7 under appeal.

8 **SECTION 1456.** 49.85 (3) (b) (intro.) of the statutes is amended to read:

9 49.85 (3) (b) (intro.) At least 30 days before certification of an amount, the
10 department of workforce development shall send a notice to the last-known address
11 of the person from whom that department intends to recover or collect the amount.
12 The notice shall do all of the following:

13 **SECTION 1457.** 49.85 (3) (b) 1. of the statutes is amended to read:

14 49.85 (3) (b) 1. Inform the person that the department of workforce
15 development intends to certify to the department of revenue an amount that the
16 department of workforce development has determined to be due under s. 49.161,
17 49.195 (3), or 49.793, or to be delinquent under a repayment agreement for a loan
18 under s. 49.147 (6), for setoff from any state tax refund that may be due the person.

19 **SECTION 1459.** 49.85 (5) of the statutes is amended to read:

20 49.85 (5) EFFECT OF CERTIFICATION. Receipt of a certification by the department
21 of revenue shall constitute a lien, equal to the amount certified, on any state tax
22 refunds or credits owed to the obligor. The lien shall be foreclosed by the department
23 of revenue as a setoff under s. 71.93. Certification of an amount under this section
24 does not prohibit the department of health and family services or the department of
25 workforce development from attempting to recover or collect the amount through

1 other legal means. The department of health and family services or the department
2 of workforce development shall promptly notify the department of revenue upon
3 recovery or collection of any amount previously certified under this section.

4 **SECTION 1460.** 49.854 (11) (b) of the statutes is amended to read:

5 49.854 (11) (b) *The department.* The department may assess a collection fee
6 to recover the department's costs incurred in levying against property under this
7 section. The department shall determine its costs to be paid in all cases of levy. The
8 obligor is liable to the department for the amount of the collection fee authorized
9 under this paragraph. Fees collected under this paragraph shall be credited to the
10 appropriation account under s. 20.445 (1) ~~(L)~~ (3) (ja).

11 **SECTION 1464.** 50.01 (1g) (c) of the statutes is amended to read:

12 50.01 (1g) (c) A shelter facility as defined under s. 16.352 ~~560.9808~~ (1) (d).

13 **SECTION 1466.** 50.03 (5g) (c) 1. c. of the statutes is amended to read:

14 50.03 (5g) (c) 1. c. All forfeitures shall be paid to the department within 10 days
15 after receipt of notice of assessment or, if the forfeiture is contested under par. (f),
16 within 10 days after receipt of the final decision after exhaustion of administrative
17 review, unless the final decision is appealed and the order is stayed by court order
18 under s. 50.03 (11). The department shall remit all forfeitures paid under this
19 subdivision to the ~~state treasurer~~ secretary of administration for deposit in the
20 school fund.

21 **SECTION 1466d.** 50.031 of the statutes is created to read:

22 **50.031 Nursing home surveyor positions.** (1) In this section, "long-term
23 care facility" means a licensed nursing home, community-based residential facility,
24 adult family home, home health agency, or rural medical center or a certified or
25 registered residential care apartment complex.

1 (2) For every December 31 on which the total number of long-term care
2 facilities is less than the total number of long-term care facilities that existed on
3 December 31 of the previous year, the total number of authorized full-time
4 equivalent program revenue positions, as defined in s. 230.03 (11), for the
5 department, funded from the appropriation account under s. 20.435 (6) (jm) for the
6 purpose of performing surveillance of licensed nursing homes, shall be reduced by
7 the same percentage by which the total number of long-term care facilities is reduced
8 from the total number of long-term care facilities that existed on December 31 of the
9 previous year. Each reduction of authorized full-time equivalent program revenue
10 positions shall begin on July 1 of the year following the year in which the reduction
11 of the total number of long-term care facilities occurred.

12 **SECTION 1467.** 50.034 (8) (d) of the statutes is amended to read:

13 50.034 (8) (d) All forfeitures shall be paid to the department within 10 days
14 after receipt of notice of assessment or, if the forfeiture is contested under par. (c),
15 within 10 days after receipt of the final decision after exhaustion of administrative
16 review, unless the final decision is appealed and the order is stayed by court order.
17 The department shall remit all forfeitures paid to the ~~state treasurer~~ secretary of
18 administration for deposit in the school fund.

19 **SECTION 1468.** 50.035 (11) (d) of the statutes is amended to read:

20 50.035 (11) (d) All forfeitures shall be paid to the department within 10 days
21 after receipt of notice of assessment or, if the forfeiture is contested under par. (c),
22 within 10 days after receipt of the final decision after exhaustion of administrative
23 review, unless the final decision is appealed and the order is stayed by court order.
24 The department shall remit all forfeitures paid to the ~~state treasurer~~ secretary of
25 administration for deposit in the school fund.

1 **SECTION 1472b.** 50.04 (5) (f) of the statutes is amended to read:

2 50.04 (5) (f) *Forfeitures paid within 10 days.* All forfeitures shall be paid to the
3 department within 10 days of receipt of notice of assessment or, if the forfeiture is
4 contested under par. (e), within 10 days of receipt of the final decision after
5 exhaustion of administrative review, unless the final decision is appealed and the
6 order is stayed by court order under s. 50.03 (11). The department shall remit all
7 forfeitures paid to the ~~state treasurer~~ secretary of administration for deposit in the
8 school fund.

9 **SECTION 1473.** 50.07 (3) (a) of the statutes is repealed.

10 **SECTION 1474.** 50.07 (3) (b) of the statutes is amended to read:

11 50.07 (3) (b) Any employee ~~of an employer not described in par. (a)~~ who is
12 discharged or otherwise retaliated or discriminated against in violation of sub. (1)
13 (e) or (em) may file a complaint with the department of workforce development under
14 s. 106.54 (5).

15 **SECTION 1475.** 50.07 (3) (c) of the statutes is amended to read:

16 50.07 (3) (c) Any person not described in par. ~~(a)~~ or (b) who is retaliated or
17 discriminated against in violation of sub. (1) (e) or (em) may commence an action in
18 circuit court for damages incurred as a result of the violation.

19 **SECTION 1476.** 50.14 (title) of the statutes is amended to read:

20 **50.14 (title) Assessments on ~~occupied~~, licensed beds.**

21 **SECTION 1477.** 50.14 (1) (a) of the statutes is amended to read:

22 50.14 (1) (a) Notwithstanding s. 50.01 (1m), “facility” means a nursing home
23 or an intermediate care facility for the mentally retarded, ~~which is not state-owned~~
24 ~~or state-operated, federally owned or federally operated or~~ that is not located outside
25 the state.

1 **SECTION 1478.** 50.14 (2) of the statutes is renumbered 50.14 (2) (intro.) and
2 amended to read:

3 50.14 (2) (intro.) For the privilege of doing business in this state, there is
4 imposed on all ~~occupied, licensed beds of a facility, except occupied, licensed beds for~~
5 ~~which payment is made under 42 USC 1395 to 1395ccc,~~ an assessment that shall be
6 deposited in the general fund and that is \$100 per calendar month per occupied,
7 licensed bed of an intermediate care facility for the mentally retarded may not exceed
8 \$435 in fiscal year 2003–04 and may not exceed \$445 in fiscal year 2004–05 and is
9 \$32 an assessment that may not exceed \$75 per calendar month per occupied,
10 licensed bed of a nursing home. The assessment shall be ~~on the average number of~~
11 ~~occupied, licensed beds of a facility for the calendar month previous to the month of~~
12 ~~assessment, based on an average daily midnight census computed and reported by~~
13 ~~the facility and verified by the department. Charged bed–hold days for any resident~~
14 ~~of a facility shall be included as one full day in the average daily midnight census~~
15 ~~deposited in the general fund, except that in fiscal year 2003–04, amounts in excess~~
16 ~~of \$14,300,000, in fiscal year 2004–05, amounts in excess of \$13,800,000, and,~~
17 ~~beginning July 1, 2005, in each fiscal year, amounts in excess of 45% of the money~~
18 ~~received from the assessment shall be deposited in the Medical Assistance trust~~
19 ~~fund.~~ In determining the number of occupied, licensed beds, if all of the following
20 apply:

21 (a) If the amount of the beds is other than a whole number, the fractional part
22 of the amount shall be disregarded unless it equals 50% or more of a whole number,
23 in which case the amount shall be increased to the next whole number.

24 **SECTION 1479.** 50.14 (2) (b) of the statutes is created to read:

1 50.14 (2) (b) The number of licensed beds of a nursing home includes any
2 number of beds that have been delicensed under s. 49.45 (6m) (ap) 1. but not deducted
3 from the nursing home's licensed bed capacity under s. 49.45 (6m) (ap) 4. a.

4 **SECTION 1480.** 50.14 (3) of the statutes is amended to read:

5 50.14 (3) By the end of each month, each facility shall submit to the department
6 ~~the facility's occupied licensed bed count and the amount due under sub. (2) for each~~
7 ~~occupied licensed bed of the facility for the month preceding the month during which~~
8 ~~the bed count and payment are~~ is being submitted. The department shall verify the
9 ~~bed count~~ number of beds licensed and, if necessary, make adjustments to the
10 payment, notify the facility of changes in the ~~bed count or payment owing~~ and send
11 the facility an invoice for the additional amount due or send the facility a refund.

12 **SECTION 1481.** 50.14 (4) of the statutes is amended to read:

13 50.14 (4) Sections 77.59 (1) to (5), (6) (intro.), (a) and (c) and (7) to (10), 77.60
14 (1) to (7), (9) and (10), 77.61 (9) and (12) to (14) and 77.62, as they apply to the taxes
15 under subch. III of ch. 77, apply to the assessment under this section, except that the
16 amount of any assessment collected under s. 77.59 (7) in excess of \$14,300,000 in
17 fiscal year 2003–04, in excess of \$13,800,000 in fiscal year 2004–05, and, beginning
18 July 1, 2005, in excess of 45% in each fiscal year shall be deposited in the Medical
19 Assistance trust fund.

20 **SECTION 1482.** 50.38 (4) of the statutes is amended to read:

21 50.38 (4) All forfeitures shall be paid to the department within 10 days after
22 receipt of notice of assessment or, if the forfeiture is contested under sub. (3), within
23 10 days after receipt of the final decision after exhaustion of administrative review,
24 unless the final decision is appealed and the order is stayed by court order. The

1 department shall remit all forfeitures paid to the ~~state treasurer~~ secretary of
2 administration for deposit in the school fund.

3 **SECTION 1483.** 50.55 (1) (e) of the statutes is amended to read:

4 50.55 (1) (e) All forfeitures shall be paid to the department within 10 days after
5 receipt of notice of assessment or, if the forfeiture is contested under par. (d), within
6 10 days after receipt of the final decision, unless the final decision is appealed and
7 the decision is in favor of the appellant. The department shall remit all forfeitures
8 paid to the ~~state treasurer~~ secretary of administration for deposit in the school fund.

9 **SECTION 1484.** 50.90 (2) of the statutes is amended to read:

10 50.90 (2) “Organization” means a public agency, as defined in s. ~~46.93 (1m) (e)~~
11 ~~46.856 (1) (b)~~, a nonprofit corporation, a for-profit stock corporation, a cooperative,
12 a partnership, a limited liability company or a sole proprietorship.

13 **SECTION 1485.** 50.98 (5) of the statutes is amended to read:

14 50.98 (5) All forfeitures shall be paid to the department within 10 days after
15 receipt of notice of assessment or, if the forfeiture is contested under sub. (4), within
16 10 days after receipt of the final decision after exhaustion of administrative review,
17 unless the final decision is appealed and the order is stayed by court order under the
18 same terms and conditions as found in s. 50.03 (11). The department shall remit all
19 forfeitures paid to the ~~state treasurer~~ secretary of administration for deposit in the
20 school fund.

21 **SECTION 1486.** 51.06 (1m) (d) of the statutes is amended to read:

22 51.06 (1m) (d) Services for ~~up to 50~~ individuals with developmental disability
23 who are also diagnosed as mentally ill or who exhibit extremely aggressive and
24 challenging behaviors.

1 **SECTION 1487.** 51.06 (3) of the statutes is renumbered 51.06 (3) (a) and
2 amended to read:

3 51.06 (3) (a) Individuals Subject to par. (b), individuals under the age of 22
4 years shall be placed only at the central center for the developmentally disabled
5 unless the department authorizes the placement of the individual at the northern or
6 southern center for the developmentally disabled.

7 **SECTION 1488.** 51.06 (3) (b) of the statutes is created to read:

8 51.06 (3) (b) An individual may be placed at or transferred to a center for the
9 developmentally disabled for services under sub. (1m) (d) only after all of the
10 following conditions are met:

11 1. The department determines that a licensed bed and other necessary
12 resources are available to provide services to the individual.

13 2. The department and the county of residence of the individual agree on a
14 maximum discharge date for the individual.

15 **SECTION 1489.** 51.06 (5) of the statutes is created to read:

16 51.06 (5) **SURCHARGE FOR EXTENDED INTENSIVE TREATMENT.** The department may
17 impose on a county a progressive surcharge for services under sub. (1m) (d) that an
18 individual receives after the maximum discharge date for the individual that was
19 agreed upon under sub. (3) (b) 2. The surcharge is 10% of the amount paid for the
20 individual's services under s. 49.45 during any part of the first 6-month period
21 following the maximum discharge date, and increases by 10% of the amount paid for
22 the individual's services under s. 49.45 during any part of each 6-month period
23 thereafter. Any revenues received under this subsection shall be credited to the
24 appropriation account under s. 20.435 (2) (gL).

25 **SECTION 1490.** 51.06 (6) of the statutes is created to read:

1 **51.06 (6) SALE OF ASSETS OR REAL PROPERTY AT NORTHERN CENTER FOR THE**
2 **DEVELOPMENTALLY DISABLED.** The department may maintain the Northern Center for
3 the Developmentally Disabled for the purpose specified in sub. (1), but may sell
4 assets or real property of the Northern Center for the Developmentally Disabled. If
5 there is any outstanding public debt used to finance the acquisition, construction, or
6 improvement of any property that is sold under this subsection, the department shall
7 deposit a sufficient amount of the net proceeds from the sale of the property in the
8 bond security and redemption fund under s. 18.09 to repay the principal and pay the
9 interest on the debt, and any premium due upon refunding any of the debt. If the
10 property was purchased with federal financial assistance, the department shall pay
11 to the federal government any of the net proceeds required by federal law. If there
12 is no such debt outstanding and there are no moneys payable to the federal
13 government, or if the net proceeds exceed the amount required to be deposited or paid
14 under this subsection, the department shall credit the net proceeds or remaining net
15 proceeds to the appropriation account under s. 20.435 (2) (gk).

16 **SECTION 1490c.** 51.06 (7) of the statutes is created to read:

17 **51.06 (7) EMPLOYEE OR POSITION TRANSFERS.** The department may not transfer
18 an employee of the Northern Center for the Developmentally Disabled to another
19 center for the developmentally disabled unless the employee requests the transfer.
20 The department may not transfer employee positions from the Northern Center for
21 the Developmentally Disabled to another center for the developmentally disabled if
22 the position transfer would have the purpose or effect of significantly changing the
23 mission of the Northern Center for the Developmentally Disabled.

24 **SECTION 1491.** 51.20 (13) (c) (intro.) of the statutes is amended to read:

1 51.20 (13) (c) (intro.) If disposition is made under par. (a) 3., all of the following
2 apply:

3 **SECTION 1492.** 51.20 (13) (c) 1. of the statutes is amended to read:

4 51.20 (13) (c) 1. The court shall designate the facility or service ~~which~~ that is
5 to receive the subject individual into the mental health system, ~~except that, if the~~
6 ~~subject individual is under the age of 22 years and the facility is a center for the~~
7 ~~developmentally disabled, the court shall designate only the central center for the~~
8 ~~developmentally disabled unless the department authorizes designation of the~~
9 ~~northern or southern center for the developmentally disabled;~~ subject to s. 51.06 (3).

10 **SECTION 1493.** 51.20 (13) (c) 2. of the statutes is amended to read:

11 51.20 (13) (c) 2. The county department under s. 51.42 or 51.437 shall arrange
12 for treatment in the least restrictive manner consistent with the requirements of the
13 subject individual in accordance with a court order designating the maximum level
14 of inpatient facility, if any, ~~which~~ that may be used for treatment, ~~except that, if the~~
15 ~~subject individual is under the age of 22 years and the facility is a center for the~~
16 ~~developmentally disabled, designation shall be only to the central center for the~~
17 ~~developmentally disabled unless the department authorizes the placement of the~~
18 ~~individual at the northern or southern center for the developmentally disabled; and~~
19 subject to s. 51.06 (3).

20 **SECTION 1494.** 51.20 (13) (f) of the statutes is amended to read:

21 51.20 (13) (f) The county department under s. 51.42 or 51.437 ~~which~~ that
22 receives an individual who is committed by a court under par. (a) 3. is authorized to
23 place ~~such~~ the individual in an approved treatment facility, subject to any limitations
24 which are specified by the court under par. (c) 2. The county department shall place
25 the subject individual in the treatment program and treatment facility ~~which~~ that

1 is least restrictive of the individual's personal liberty, consistent with the treatment
2 requirements of the individual. The county department shall ~~have~~ has ongoing
3 responsibility to review the individual's needs, in accordance with sub. (17), and to
4 transfer the person to the least restrictive program consistent with the individual's
5 needs. ~~If the subject individual is under the age of 22 years and if the facility~~
6 ~~appropriate for placement or transfer is a center for the developmentally disabled,~~
7 ~~placement or transfer of the individual shall be made only to the central center for~~
8 ~~the developmentally disabled unless the department authorizes the placement or~~
9 ~~transfer to the northern or southern center for the developmentally disabled~~
10 Placement or transfer under this paragraph is subject to s. 51.06 (3).

11 **SECTION 1495.** 51.35 (1) (a) of the statutes is amended to read:

12 51.35 (1) (a) The Subject to pars. (b) and (d), the department or the county
13 department under s. 51.42 or 51.437 may transfer any patient or resident who is
14 committed to it, or who is admitted to a treatment facility under its supervision or
15 operating under an agreement with it, between treatment facilities or from a
16 treatment facility into the community if ~~such~~ the transfer is consistent with
17 reasonable medical and clinical judgment ~~and,~~ consistent with s. 51.22 (5). ~~The~~
18 ~~transfer shall be made, and, if the transfer results in a greater restriction of personal~~
19 freedom for the patient or resident, in accordance with par. (e). Terms and conditions
20 ~~which~~ that will benefit the patient or resident may be imposed as part of a transfer
21 to a less restrictive treatment alternative. A patient or resident who is committed
22 to the department or a county department under s. 51.42 or 51.437 may be required
23 to take medications and receive treatment, subject to the right of the patient or
24 resident to refuse medication and treatment under s. 51.61 (1) (g) and (h), through
25 a community support program as a term or condition of a transfer. The patient or

1 resident shall be informed at the time of transfer of the consequences of violating
2 such the terms and conditions of the transfer, including possible transfer back to a
3 facility ~~which~~ treatment facility that imposes a greater restriction on personal
4 freedom of the patient or resident.

5 **SECTION 1496.** 51.35 (1) (b) of the statutes is renumbered 51.35 (1) (b) 1. and
6 amended to read:

7 51.35 (1) (b) 1. ~~In addition to the requirements in par. (a), a~~ Except as provided
8 in pars. (c) and (d), a transfer of a patient in a mental health institute ~~or center for~~
9 ~~the developmentally disabled~~ by the department is subject to the approval of the
10 appropriate county department under ss. 51.42 and 51.437 to which the patient was
11 committed or through which the patient was admitted to the facility, ~~if any~~ mental
12 health institute.

13 **SECTION 1496c.** 51.35 (1) (b) 2. of the statutes is created to read:

14 51.35 (1) (b) 2. Except as provided in pars. (c) and (d), a transfer of a resident
15 of a center for the developmentally disabled by the department is subject to the
16 approval of the appropriate county department under s. 51.42 or 51.437 to which the
17 resident was committed or through which the resident was admitted to the center
18 and to the approval of the resident's guardian.

19 **SECTION 1497.** 51.35 (1) (bm) of the statutes is amended to read:

20 51.35 (1) (bm) ~~Notwithstanding par. (b), transfer~~ Transfer of a patient ~~under~~
21 ~~the age of 22 years~~ resident by a county department to a center for the
22 developmentally disabled ~~may be made only to the central center for the~~
23 ~~developmentally disabled unless the department authorizes the transfer of the~~
24 ~~patient to the northern or southern center for the developmentally disabled~~ is subject
25 to s. 51.06 (3).