

## 2003 SENATE BILL 567

**AN ACT** *to repeal* 20.435 (4) (hm), 25.77 (5), 46.40 (9) (d), 49.45 (6t) (b), 49.45 (6tt), 49.45 (6tu), 49.45 (52), 49.45 (53) and 59.53 (24); *to renumber* 49.45 (6t) (a); *to amend* 20.435 (4) (w), 20.435 (4) (w), 20.435 (4) (w), 20.435 (7) (b), 20.435 (7) (b), 46.275 (5) (a), 46.275 (5) (c), 46.495 (1) (d) and 46.495 (1) (d); *to create* 46.40 (9) (d), 49.45 (6tu), 49.45 (52) and 49.45 (53) of the statutes; and *to affect* 2003 Wisconsin Act 33, section 9124 (8); **relating to:** Medical Assistance Program and Community Aids Program funding and programs and making appropriations.

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*Analysis by the Legislative Reference Bureau*

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 20.435 (4) (hm) of the statutes, as created by 2003 Wisconsin Act  
2           33, is repealed.

**SENATE BILL 567****SECTION 2**

1           **SECTION 2.** 20.435 (4) (w) of the statutes, as affected by 2003 Wisconsin Act 33,  
2 is amended to read:

3           20.435 **(4)** (w) *Medical Assistance trust fund.* From the Medical Assistance  
4 trust fund, biennially, the amounts in the schedule for meeting costs of medical  
5 assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5),  
6 49.45, and 49.472 (6), ~~for providing distributions under s. 49.45 (6tt),~~ and for  
7 administrative costs associated with augmenting the amount of federal moneys  
8 received under 42 CFR 433.51.

9           **SECTION 3.** 20.435 (4) (w) of the statutes, as affected by 2003 Wisconsin Act ...  
10 (this act), section 2, is amended to read:

11           20.435 **(4)** (w) *Medical Assistance trust fund.* From the Medical Assistance  
12 trust fund, biennially, the amounts in the schedule for meeting costs of medical  
13 assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5),  
14 49.45, and 49.472 (6), for providing distributions under s. 49.45 (6tu), and for  
15 administrative costs associated with augmenting the amount of federal moneys  
16 received under 42 CFR 433.51.

17           **SECTION 4.** 20.435 (4) (w) of the statutes, as affected by 2003 Wisconsin Act ...  
18 (this act), section 3, is amended to read:

19           20.435 **(4)** (w) *Medical Assistance trust fund.* From the Medical Assistance  
20 trust fund, biennially, the amounts in the schedule for meeting costs of medical  
21 assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5),  
22 49.45, and 49.472 (6), ~~for providing distributions under s. 49.45 (6tu),~~ and for  
23 administrative costs associated with augmenting the amount of federal moneys  
24 received under 42 CFR 433.51.

25           **SECTION 5.** 20.435 (7) (b) of the statutes is amended to read:

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1           20.435 (7) (b) *Community aids and Medical Assistance payments*. The  
2 amounts in the schedule for human services under s. 46.40, to fund services provided  
3 by resource centers under s. 46.283 (5), for services under the family care benefit  
4 under s. 46.284 (5), for reimbursement to counties having a population of less than  
5 500,000 for the cost of court attached intake services under s. 48.06 (4), for shelter  
6 care under ss. 48.58 and 938.22 ~~and~~, for foster care and treatment foster care under  
7 s. 49.19 (10), for Medical Assistance payment adjustments under s. 49.45 (52), for  
8 Medical Assistance payments under s. 49.45 (53), and for payments under SECTION  
9 25 (3). Social services disbursements under s. 46.03 (20) (b) may be made from this  
10 appropriation. Refunds received relating to payments made under s. 46.03 (20) (b)  
11 for the provision of services for which moneys are appropriated under this paragraph  
12 shall be returned to this appropriation. Notwithstanding ss. 20.001 (3) (a) and  
13 20.002 (1), the department of health and family services may transfer funds between  
14 fiscal years under this paragraph. The department shall deposit into this  
15 appropriation funds it recovers under ss. 46.495 (2) (b) and 51.423 (15) from prior  
16 year audit adjustments including those resulting from audits of services under s.  
17 46.26, 1993 stats., or s. 46.27. Except for amounts authorized to be carried forward  
18 under s. 46.45, all funds recovered under ss. 46.495 (2) (b) and 51.423 (15) and all  
19 funds allocated under s. 46.40 and not spent or encumbered by December 31 of each  
20 year shall lapse to the general fund on the succeeding January 1 unless carried  
21 forward to the next calendar year by the joint committee on finance.

22           **SECTION 6.** 20.435 (7) (b) of the statutes, as affected by 2003 Wisconsin Act ...  
23 (this act), is amended to read:

24           20.435 (7) (b) *Community aids ~~and Medical Assistance payments~~*. The  
25 amounts in the schedule for human services under s. 46.40, to fund services provided

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1 by resource centers under s. 46.283 (5), for services under the family care benefit  
2 under s. 46.284 (5), for reimbursement to counties having a population of less than  
3 500,000 for the cost of court attached intake services under s. 48.06 (4), for shelter  
4 care under ss. 48.58 and 938.22, and for foster care and treatment foster care under  
5 s. 49.19 (10), ~~for Medical Assistance payment adjustments under s. 49.45 (52), for~~  
6 ~~Medical Assistance payments under s. 49.45 (53), and for payments under Section~~  
7 ~~25 (3).~~ Social services disbursements under s. 46.03 (20) (b) may be made from this  
8 appropriation. Refunds received relating to payments made under s. 46.03 (20) (b)  
9 for the provision of services for which moneys are appropriated under this paragraph  
10 shall be returned to this appropriation. Notwithstanding ss. 20.001 (3) (a) and  
11 20.002 (1), the department of health and family services may transfer funds between  
12 fiscal years under this paragraph. The department shall deposit into this  
13 appropriation funds it recovers under ss. 46.495 (2) (b) and 51.423 (15) from prior  
14 year audit adjustments including those resulting from audits of services under s.  
15 46.26, 1993 stats., or s. 46.27. Except for amounts authorized to be carried forward  
16 under s. 46.45, all funds recovered under ss. 46.495 (2) (b) and 51.423 (15) and all  
17 funds allocated under s. 46.40 and not spent or encumbered by December 31 of each  
18 year shall lapse to the general fund on the succeeding January 1 unless carried  
19 forward to the next calendar year by the joint committee on finance.

20 **SECTION 7.** 25.77 (5) of the statutes, as created by 2003 Wisconsin Act 33, is  
21 repealed.

22 **SECTION 8.** 46.275 (5) (a) of the statutes, as affected by 2003 Wisconsin Act 33,  
23 is amended to read:

24 46.275 (5) (a) Medical Assistance reimbursement for services a county, or the  
25 department under sub. (3r), provides under this program is available from the

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1 appropriation accounts under s. 20.435 (4) (b), (gp), (~~hm~~), (o), and (w). If 2 or more  
2 counties jointly contract to provide services under this program and the department  
3 approves the contract, Medical Assistance reimbursement is also available for  
4 services provided jointly by these counties.

5 **SECTION 9.** 46.275 (5) (c) of the statutes, as affected by 2003 Wisconsin Act 33,  
6 is amended to read:

7 46.275 (5) (c) The total allocation under s. 20.435 (4) (b), (gp), (~~hm~~), (o), and (w)  
8 to counties and to the department under sub. (3r) for services provided under this  
9 section may not exceed the amount approved by the federal department of health and  
10 human services. A county may use funds received under this section only to provide  
11 services to persons who meet the requirements under sub. (4) and may not use  
12 unexpended funds received under this section to serve other developmentally  
13 disabled persons residing in the county.

14 **SECTION 10.** 46.40 (9) (d) of the statutes is created to read:

15 46.40 (9) (d) *Payment adjustments for certain Medical Assistance services.* The  
16 department may decrease a county's allocation under sub. (2) by the amount of any  
17 payment adjustments under s. 49.45 (52) made for that county from the  
18 appropriation account under s. 20.435 (7) (b). The total amount of the decrease for  
19 a county under this paragraph during any fiscal year may not exceed that part of the  
20 county's allocation under sub. (2) that derives from the appropriation account under  
21 s. 20.435 (7) (b) for that fiscal year.

22 **SECTION 11.** 46.40 (9) (d) of the statutes, as created by 2003 Wisconsin Act ...  
23 (this act), is repealed.

24 **SECTION 12.** 46.495 (1) (d) of the statutes is amended to read:

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1           46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b) and  
2 (o), the department shall distribute the funding for social services, including funding  
3 for foster care or treatment foster care of a child on whose behalf aid is received under  
4 s. 46.261, to county departments under ss. 46.215, 46.22, and 46.23 as provided  
5 under s. 46.40. County matching funds are required for the distributions under s.  
6 46.40 (2), (8), and (9) (b). Each county's required match for the ~~distributions~~  
7 distribution under s. 46.40 (2) ~~and shall be specified in a schedule established~~  
8 annually by the department of health and family services. Each county's required  
9 match for the distribution under s. 46.40 (8) for a year equals 9.89% of the total of  
10 the county's distributions under s. 46.40 (2) and (8) for that year for which matching  
11 funds are required plus the amount the county was required by s. 46.26 (2) (c), 1985  
12 stats., to spend for juvenile delinquency-related services from its distribution for  
13 1987. Each county's required match for the distribution under s. 46.40 (9) (b) for a  
14 year equals 9.89% of that county's amounts described in s. 46.40 (9) (a) (intro.) for  
15 that year. Matching funds may be from county tax levies, federal and state revenue  
16 sharing funds, or private donations to the county that meet the requirements  
17 specified in s. 51.423 (5). Private donations may not exceed 25% of the total county  
18 match. If the county match is less than the amount required to generate the full  
19 amount of state and federal funds distributed for this period, the decrease in the  
20 amount of state and federal funds equals the difference between the required and the  
21 actual amount of county matching funds.

22           **SECTION 13.** 46.495 (1) (d) of the statutes, as affected by 2003 Wisconsin Act ....  
23 (this act), is amended to read:

24           46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b) and  
25 (o), the department shall distribute the funding for social services, including funding

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1 for foster care or treatment foster care of a child on whose behalf aid is received under  
2 s. 46.261, to county departments under ss. 46.215, 46.22, and 46.23 as provided  
3 under s. 46.40. County matching funds are required for the distributions under s.  
4 46.40 (2), (8), and (9) (b). Each county's required match for the ~~distribution~~  
5 distributions under s. 46.40 (2) ~~shall be specified in a schedule established annually~~  
6 ~~by the department of health and family services.~~ Each county's required match for  
7 ~~the distribution under s. 46.40~~ and (8) for a year equals 9.89% of the total of the  
8 county's distributions under s. 46.40 (2) and (8) for that year for which matching  
9 funds are required plus the amount the county was required by s. 46.26 (2) (c), 1985  
10 stats., to spend for juvenile delinquency-related services from its distribution for  
11 1987. Each county's required match for the distribution under s. 46.40 (9) (b) for a  
12 year equals 9.89% of that county's amounts described in s. 46.40 (9) (a) (intro.) for  
13 that year. Matching funds may be from county tax levies, federal and state revenue  
14 sharing funds, or private donations to the county that meet the requirements  
15 specified in s. 51.423 (5). Private donations may not exceed 25% of the total county  
16 match. If the county match is less than the amount required to generate the full  
17 amount of state and federal funds distributed for this period, the decrease in the  
18 amount of state and federal funds equals the difference between the required and the  
19 actual amount of county matching funds.

20 **SECTION 14.** 49.45 (6t) (a) of the statutes, as affected by 2001 Wisconsin Act 16  
21 and 2003 Wisconsin Act 33, is renumbered 49.45 (6t).

22 **SECTION 15.** 49.45 (6t) (b) of the statutes, as created by 2003 Wisconsin Act 33,  
23 is repealed.

24 **SECTION 16.** 49.45 (6tt) of the statutes, as created by 2003 Wisconsin Act 33,  
25 is repealed.

**SENATE BILL 567****SECTION 17**

1           **SECTION 17.** 49.45 (6tu) of the statutes is created to read:

2           **49.45 (6tu)** DISTRIBUTIONS TO COUNTY DEPARTMENTS AND LOCAL HEALTH  
3 DEPARTMENTS. From the appropriation under s. 20.435 (4) (w), the department may  
4 in each fiscal year distribute moneys to county departments under s. 46.215, 46.22,  
5 46.23, or 51.42 or to local health departments, as defined in s. 250.01 (4), under a plan  
6 developed by the department.

7           **SECTION 18.** 49.45 (6tu) of the statutes, as created by 2003 Wisconsin Act ....  
8 (this act), is repealed.

9           **SECTION 19.** 49.45 (52) of the statutes is created to read:

10           **49.45 (52)** PAYMENT ADJUSTMENTS. Beginning on January 1, 2003, the  
11 department may, from the appropriation account under s. 20.435 (7) (b), make  
12 Medical Assistance payment adjustments to county departments under s. 46.215,  
13 46.22, 46.23, or 51.42, or 51.437 or to local health departments, as defined in s. 250.01  
14 (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and  
15 (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16. Payment  
16 adjustments under this subsection shall include the state share of the payments.  
17 The total of any payment adjustments under this subsection and Medical Assistance  
18 payments made from appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w)  
19 may not exceed applicable limitations on payments under 42 USC 1396a (a) (30) (A).

20           **SECTION 20.** 49.45 (52) of the statutes, as created by 2003 Wisconsin Act .... (this  
21 act), is repealed.

22           **SECTION 21.** 49.45 (53) of the statutes is created to read:

23           **49.45 (53)** PAYMENTS FOR CERTAIN SERVICES. Beginning on January 1, 2003, the  
24 department may, from the appropriation account under s. 20.435 (7) (b), make



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1 Medical Assistance payments to providers for covered services under s. 49.46 (2) (a)  
2 4. d. and (b) 6. j. and m.

3 **SECTION 22.** 49.45 (53) of the statutes, as created by 2003 Wisconsin Act .... (this  
4 act), is repealed.

5 **SECTION 23.** 59.53 (24) of the statutes, as created by 2003 Wisconsin Act 33, is  
6 repealed.

7 **SECTION 24.** 2003 Wisconsin Act 33, section 9124 (8) is repealed.

8 **SECTION 25. Nonstatutory provisions.**

9 (1) COMMUNITY AIDS FUNDING DECREASE. Notwithstanding section 16.42 (1) (e)  
10 of the statutes, in submitting information under section 16.42 of the statutes for  
11 purposes of the 2005–07 biennial budget bill, the department of health and family  
12 services shall submit information concerning the appropriation under section 20.435  
13 (7) (b) of the statutes as though the decrease in the dollar amount of that  
14 appropriation by SECTION 26 (1) of this act had not been made.

15 (2) MEDICAL ASSISTANCE FUNDING INCREASE. Notwithstanding section 16.42 (1)  
16 (e) of the statutes, in submitting information under section 16.42 of the statutes for  
17 purposes of the 2005–07 biennial budget bill, the department of health and family  
18 services shall submit information concerning the appropriation under section 20.435  
19 (4) (b) of the statutes as though the increase in the dollar amount of that  
20 appropriation by SECTION 26 (2) of this act had not been made.

21 (3) PAYMENTS TO CITY HEALTH DEPARTMENTS. From the appropriation account  
22 under section 20.435 (7) (b) of the statutes, as affected by this act, in state fiscal year  
23 2004–05 the department of health and family services may make payments to local  
24 health departments, as defined under s. 250.01 (4) (a) 3. of the statutes. Payment  
25 under this subsection to such a local health department may not exceed on an

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1 annualized basis payment made by the department of health and family services to  
2 the local health department under section 49.45 (6t) of the statutes for services  
3 provided by the local health department in 2002.

4 (4) If an amendment to the state medical assistance plan that provides for a  
5 revised payment methodology for Medical Assistance services that are provided by  
6 a county department or local health department under section 49.45 (52) of the  
7 statutes, as created by this act, is not approved in writing by the federal centers for  
8 medicare and medicaid services by July 1, 2005, or if on any date the amendment is  
9 disapproved, whichever is earlier, all of the following apply:

10 (a) This act, except for this subsection, is void.

11 (b) The secretary of administration shall notify the revisor of statutes  
12 concerning the lack of approval or disapproval.

13 **SECTION 26. Appropriation changes.**

14 (1) COMMUNITY AIDS PROGRAM DECREASE. In the schedule under section 20.005  
15 (3) of the statutes for the appropriation to the department of health and family  
16 services under section 20.435 (7) (b) of the statutes, as affected by the acts of 2003,  
17 the dollar amount is decreased by \$53,204,600 for fiscal year 2004–05 for the  
18 purposes for which the appropriation is made.

19 (2) MEDICAL ASSISTANCE PROGRAM INCREASE. In the schedule under section  
20 20.005 (3) of the statutes for the appropriation to the department of health and family  
21 services under section 20.435 (4) (b) of the statutes, as affected by the acts of 2003,  
22 the dollar amount is increased by \$53,204,600 for fiscal year 2004–05 for the  
23 purposes for which the appropriation is made.

24 (3) MEDICAL ASSISTANCE TRUST FUND. In the schedule under section 20.005 (3)  
25 of the statutes for the appropriation to the department of health and family services

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1 under section 20.435 (4) (w) of the statutes, as affected by the acts of 2003, the dollar  
2 amount is decreased by \$17,000,000 for fiscal year 2004–05 to for the purposes for  
3 which the appropriation is made.

4 **SECTION 27. Effective dates.** This act takes effect on the day after publication,  
5 except as follows:

6 (1) **MEDICAL ASSISTANCE PAYMENT ADJUSTMENTS.** The treatment of section 49.45  
7 (6t) (a) and (b) of the statutes, the repeal of sections 46.40 (9) (d) and 49.45 (52) and  
8 (53) of the statutes and section 9124 (8) of 2003 Wisconsin Act 33, the amendment  
9 of sections 20.435 (4) (w) (by SECTION 3) and (7) (b) (by SECTION 6) and 46.495 (1) (d)  
10 (by SECTION 13) of the statutes, and the creation of section 49.45 (6tu) of the statutes  
11 take effect on January 1, 2006.

12 (2) **COMMUNITY SERVICES DEFICIT REDUCTION BENEFIT.** The amendment of section  
13 20.435 (4) (w) (by SECTION 4) of the statutes and the repeal of section 49.45 (6tu) of  
14 the statutes take effect on January 1, 2007.

15 **(END)**