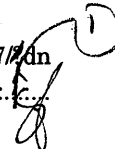


**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-4447/dn  
DAK. 

*Date*

To Robert Blaine:

Does s. 46.40 (1) (d), stats., have any effect that is adverse to this proposal? Should it be affected?

Please note the following changes I made to the material proposed:

1. I repealed the change made in the draft to s. 46.495 (1) (d), effective January 1, 2006; no such repeal had been specified.
2. I changed the general effective date for the repeal of the created provisions and certain other provisions to January 1, 2006, rather than December 31, 2005--repeal on the earlier date would have meant that no payment could be made on the last day of that calendar year.
3. In s. 49.45 (52), I specified county departments under ss. 46.215 and 46.22, in addition to those proposed, with the qualifier "as applicable." Should s. 51.437 be mentioned? I omitted reference to payment of the MA federal share from s. 20.435 (7) (b) and (bd), stats.
4. I did not draft a nonstatutory provision that would affect s. 46.40 (2), stats., but, instead, affected the statute directly and repealed the changes effective July 1, 2006. Note that the funding level specified is half of that for fiscal year 2003-04, rather than fiscal year 2002-03, as requested.
5. I did not draft an increase to s. 20.435 (4) (o), stats., as requested; we do not change amounts in the schedule for program revenue appropriations, because the underlying figure is only an estimate.
6. Note that I have repealed s. 49.45 (6tt), stats., and language referring to it in s. 20.435 (4) (w), stats. Neither was mentioned in the proposal; Freddi Bove, with whom I consulted, indicated both should be repealed upon bill passage.

Please let me know if you have questions about or need to make changes to the draft.

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

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

LRB-4447/1dn  
DAK:kjfjf

March 8, 2004

To Robert Blaine:

Does s. 46.40 (1) (d), stats., have any effect that is adverse to this proposal? Should it be affected?

Please note the following changes I made to the material proposed:

1. I repealed the change made in the draft to s. 46.495 (1) (d), effective January 1, 2006; no such repeal had been specified.
2. I changed the general effective date for the repeal of the created provisions and certain other provisions to January 1, 2006, rather than December 31, 2005--repeal on the earlier date would have meant that no payment could be made on the last day of that calendar year.
3. In s. 49.45 (52), I specified county departments under ss. 46.215 and 46.22, in addition to those proposed, with the qualifier "as applicable." Should s. 51.437 be mentioned? I omitted reference to payment of the MA federal share from s. 20.435 (7) (b) and (bd), stats.
4. I did not draft a nonstatutory provision that would affect s. 46.40 (2), stats., but, instead, affected the statute directly and repealed the changes effective July 1, 2006. Note that the funding level specified is half of that for fiscal year 2003-04, rather than fiscal year 2002-03, as requested.
5. I did not draft an increase to s. 20.435 (4) (o), stats., as requested; we do not change amounts in the schedule for program revenue appropriations, because the underlying figure is only an estimate.
6. Note that I have repealed s. 49.45 (6tt), stats., and language referring to it in s. 20.435 (4) (w), stats. Neither was mentioned in the proposal; Freddi Bove, with whom I consulted, indicated both should be repealed upon bill passage.

Please let me know if you have questions about or need to make changes to the draft.

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

2/8/04 From Robert Blaine: Changes to 03-4447

✓ ① Put in fiscal estimate (typing error)

✓ ② Change eff date to 1/1/06

✓ ③ 46.40 (1)(d) is not affected - (see D-NOTE)

✓ ④ Mention 51.437 + local health depts 250.01(4)  
- see 49.45 (6tt) in 49.45(52)

✓ ⑤ Should be no reference to COP

✓ ⑥ Hold harmless payments for CSDRB:  
To ensure that base doesn't exist when  
CSDRB is restored

See Sec. 2 - (20.435(4)(w) + 49.45 (6tt))

Create repealed language again, effective  
Jan 1, 2006

Repeal again, eff. Jan 1, 2007

✓ ⑦ 20.435(7)(b) - may use comm. aids to pay for these  
Personal care 49.46(2)(b) 6.j. regular  
Home health 49.46(2)(a) 2.d. services:  
Respiratory care 49.46(2)(b) 6.m.  
Create 49.45(53) to indicate this funding source

✓ ⑧ 46.40(2) - take out treatment;  
Draft Newstat that prohibits treating decrease  
in 20.435(7)(b) as the base for fy 2005-06

↓  
SEE 20.06 (2) B of drafting manual  
Also do for (4)(b) increase

Additional potential changes:

- ✓ ① There are local health depts. that benefit CSORB; may affect approp change numbers
- ✓ ② list of services under 49.45(52) - list of services may be too lengthy - Neil Gebhard will do new list + e-mail to me

**Kennedy, Debora**

**From:** Gebhart, Neil  
**Sent:** Monday, March 08, 2004 3:22 PM  
**To:** Kennedy, Debora  
**Cc:** Blaine, Robert; Johnston, James; Handrich, Peggy; Bove, Fredi-Ellen  
**Subject:** List of Services Receiving Payment Adjustments

*Note: This is superseded by 3/09 e-mail from N.G.*

In section 19 of LRB-4447/1, page 10, lines 22 to 24, there appears a string of cross-references to the statutes that identify the services for which payment adjustments will be made under the legislation. The list of services is that will actually qualify for payment adjustments is actually somewhat shorter. The applicable services and their statutory references follows:

- ✓ case management - 49.46(2)(b)9.
- ✓ child care coordination - 49.46(2)(b)12m.
- ✓ mental health crisis intervention - 49.46(2)(b)15.
- ✓ community support program - 49.46(2)(b)6.L. and 49.46(2)(b)6.Im.
- ✓ day treatment - 49.46(2)(b)6.f. and 49.46(2)(b)6.k.
- ✓ family planning - 49.46(2)(a)4.f.
- ✓ EPSDT - 49.46(2)(a)2.
- ✓ home health - 49.46(2)(a)4.d.
- ✓ personal care - 49.46(2)(b)6.j.
- ✓ private duty nursing - 49.46(2)(b)6.g.
- ✓ in-home intensive psychotherapy services in community setting - 49.46(2)(b)6.fm.
- ✓ mental health/substance abuse outpatient services - 49.46(2)(b)6.f.
- ✓ prenatal care coordination - 49.46(2)(b)12 and 49.46(2)(b)12m.
- ✓ physical therapy - 49.46(2)(b)6.b.
- ✓ occupational therapy - 49.46(2)(b)6.b.
- ✓ speech and language pathology - 49.46(2)(b)6.c.

Thanks very much, and please let me know if you have any questions.

*03/09: Questions for Neil:*

- No; include? 1) Do the services under s. 49.45 (2)(b)12m purposely exclude postpartum care coordination?*
- No; include? 2) Do the services under s. 49.46 (2)(b)6.f.m. purposely exclude community intensive psychotherapy?*
- No; include? 3) Do the services under s. 49.46 (2)(b)6.c. purposely exclude hearing disorder services?*

*Wants to exclude: Physician services + lab + X-ray services*  
*Wants to include: 2(b)6.d. + (2)(b)13.*

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**Kennedy, Debora**

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**From:** Kennedy, Debora  
**Sent:** Monday, March 08, 2004 5:20 PM  
**To:** Blaine, Robert  
**Subject:** RE: bill draft

Thanks very much, Rob. I have received the changes from Neil, so the only thing left is to hear from Freddi Bove. I am having to do amendments to bills first, but should have the changes we've talked about made by midmorning tomorrow.

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

**From:** Blaine, Robert  
**Sent:** Monday, March 08, 2004 5:16 PM  
**To:** Kennedy, Debora  
**Subject:** bill draft

Debora --

I felt I should pass it along to you that, as far as I can surmise, there is still hope amongst the administration that this bill would be introduced and acted upon this week. In many ways it's hard for me to see this many pieces coming together in such a short amount of time, but on the other hand, no explicit decision has been made to try and work this through a special or extraordinary session.

I just thought I should share this, since when we talked before, I indicated that our time pressure might have eased a bit. Of course, I recognize that we've all been working as fast as possible.

Thanks for your help,  
Robert

## Kennedy, Debora

---

**From:** Blaine, Robert  
**Sent:** Tuesday, March 09, 2004 12:43 PM  
**To:** Kennedy, Debora  
**Subject:** FW: Non stat provision for local health departments



Local health dept  
non stat.doc...

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

**From:** Forsaith, Andrew  
**Sent:** Tuesday, March 09, 2004 12:27 PM  
**To:** Blaine, Robert  
**Cc:** Johnston, James; Handrich, Peggy; Pifer, Marjorie; Vavra, James;  
Goldman, Amie; Bove, Fredi-Ellen; Gebhart, Neil  
**Subject:** Non stat provision for local health departments

Robert: attached is non stat language intended to allow us to make CSDRB hold harmless payments from the community aids appropriation to city health departments who have been receiving CSDRB payments (namely Beloit and Madison)

Session law provision:

Notwithstanding s. 20.435(7)(b), the Department may make payments from the appropriation under s. 20.435(7)(b) in fiscal years 2003-2004 and 2004-2005 to local health departments, as defined under s. 250.01(4). The payment to each agency may not exceed on an annualized basis the payment the Department made to each agency under s. 49.45(6t) for services provided in calendar year 2002.

03/09/04: ~~Robert Blaine agreed that s. 49.45(52),  
rather than 20.435(7)(b) should be  
notwithstanding.~~

From Andy Forsaith: This should affect 20.435(7)(b),  
shd be only for 2004-05 — replaces the  
absence of the hold harmless of the CSORB

DAK: Will amend 20.435(7)(b) now + have  
lang repealed when 20.435(7)(b) is affected  
1/1/06; will create a nonstat to wh/ 20.435  
(7)(b) refers.



**Kennedy, Debora**

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**From:** Gebhart, Neil  
**Sent:** Tuesday, March 09, 2004 1:45 PM  
**To:** Kennedy, Debora  
**Cc:** Blaine, Robert; Handrich, Peggy; Pifer, Marjorie; Goldman, Amie  
**Subject:** LRB 4447/1 - services list

In response to your inquiry, we took another look at the list of statutory references for covered services on p. 10, lines 22 to 24. We agree that the services should be listed by statutory reference rather than by descriptive language. In addition, please make the following changes in the current list:

✓ -- delete s. 49.46(2)(a)1 [Physicians' services] and 4.e [Laboratory and X-ray services], (b)6.d [Medical supplies and equipment],

-- add 49.46(2)(a)4.f. [Services and supplies for family planning], 49.46(2)(b)6.g. [Nursing services ... as defined in rules that the department shall promulgate - i.e., "private duty nursing"], 49.46(2)(b)6.Lm. [psychosocial services ... provided by the staff of a community-based psychosocial service program]

Thanks very much, and please let me know if you have any questions.

check (b)6.m., 13., + 16  
↓                    ↓                    ↓  
Resp                    lead                    case management  
care                    poisoning



*LNOW*  
State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-4447/22

DAK:kjf

2003 BILL

1 AN ACT *to repeal* 20.435 (4) (hm), 25.77 (5), 46.40 (9) (d), 49.45 (6t) (b), 49.45 (6tt),  
2 49.45 (52) and 59.53 (24); *to renumber* 49.45 (6t) (a); *to amend* 20.435 (4) (w),  
3 20.435 (7) (b), 20.435 (7) (b), 20.435 (7) (bd), 20.435 (7) (bd), 46.275 (5) (a), 46.275  
4 (5) (c), 46.40 (2), 46.40 (2), 46.495 (1) (d) and 46.495 (1) (d); *to create* 46.40 (9)  
5 (d) and 49.45 (52) of the statutes; and *to affect* 2003 Wisconsin Act 33, section  
6 9124 (8); **relating to: Medical Assistance Program, Community Aids Program**  
7 ~~and Long Term Support Community Options Program~~ funding and programs  
8 and making appropriations.

*Analysis by the Legislative Reference Bureau*

Under current law, Medical Assistance (MA) is a joint federal-state program administered by the Department of Health and Family Services (DHFS), under which persons with low income and few assets are provided health care services. The health care service providers are reimbursed for their services by a combination of state general purpose revenues, state segregated revenue from the MA trust fund, and federal Medicaid matching moneys.

Currently, under the Community Aids Program, DHFS distributes to county departments of social services, human services, community programs, and developmental disabilities services moneys for community social, mental health,

**BILL**

developmental disabilities, alcohol and other drug abuse services, and other services, including child abuse and neglect and unborn child abuse services and Alzheimer's family and caregiver support services. Moneys for the Community Aids Program are provided from, among other sources, state general purpose revenues, county revenues, and federal moneys under the federal social services block grant, converted Temporary Assistance for Needy Families block grant moneys, and moneys under Title IV-B of the federal Social Security Act.

Currently, the Long-Term Support Community Options Program (COP) provides functionality assessments of, and home and community-based care to, among others, elderly and disabled persons as an alternative to institutionalized care. One part of COP (often referred to as COP-Regular) is funded by state general purpose revenues and the other part (often referred to as COP-Waiver) is funded jointly by federal Medicaid and state Medical Assistance moneys under a waiver of federal Medicaid laws.

Under current law under 2003 Wisconsin Act 33 (the biennial budget act), an appropriation account of program revenue was created to provide supplemental MA program benefits for numerous services and to receive moneys that were required, under the biennial budget act, to be paid by counties ~~through~~ intergovernmental transfer ~~of~~ federal Medicaid matching moneys.

to obtain

, upon demand by DHFS,

Also under current law under the biennial budget act, the community services deficit reduction benefit (CSDRB), under which counties and local health departments can claim federal Medicaid matching funds to cover costs for MA services provided that are not fully reimbursed, was made inapplicable if increased federal Medicaid matching funds through the use of intergovernmental transfers were approved before July 1, 2005. Any county or local health department that received a CSDRB distribution after 2002 would be required to return the distribution to DHFS. However, moneys from the MA trust fund were required to provide payments to county departments and local health departments to hold them harmless from the elimination of the CSDRB.

This bill authorizes DHFS, beginning on January 1, 2003, to make, from the general purpose revenue appropriation account, for the Community Aids Program ~~and~~ MA payment adjustments to county departments of social services, human services, ~~and~~ community programs for MA services. The MA services for which this funding is provided include ~~physical services~~ early and periodic screening and diagnosis; home health services; ~~rehabilitation and long-term services~~ ~~physical~~ and occupational therapy; speech, hearing, and language disorder services; ~~medical supplies and equipment~~ medical day treatment services; mental health and alcohol and other drug abuse services; personal care services; respiratory care services; care coordination for high-risk pregnancies; prenatal, postpartum, and young child care coordination; lead poisoning and lead exposure services; mental health crisis intervention services; and certain case management services. (The bill ~~decreases the basic county allocation under the Community Aids Program for fiscal year 2005-06,~~ decreases the Community Aids Program general purpose revenues appropriation for fiscal years 2003-04 and 2004-05, and increases the MA general purpose revenues appropriation by like amounts for the same fiscal years.

Services and supplies for family planning;

certain

Physical

nursing services;

INSERT AR

or developmental disabilities services or to local health departments

**BILL**

INSERT AT

upon demand by  
DHFS,

The bill eliminates the appropriation account of program revenue created under the biennial budget act to supplement MA program benefits, eliminates the requirements for counties to make payments to DHFS for inclusion in that appropriation account, and eliminates the designation of moneys transferred from that appropriation account to the MA trust fund.

The bill eliminates the allocation of moneys from the MA trust fund to hold county departments and local health departments harmless for the loss of moneys under the elimination of the CSDRB and reduces the MA trust fund by \$17,000,000 for fiscal year 2004-05. As of January 1, 2006, the bill also eliminates provisions that would have made the CSDRB inapplicable if increased federal Medicaid matching funds through the use of intergovernmental transfers had been approved, and restores the CSDRB.

FE-SIL

INSERT AV

*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.

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

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

INSERT  
3-10

11 SECTION 3. 20.435 (7) (b) of the statutes is amended to read:

12 20.435 (7) (b) *Community aids and Medical Assistance payment* ~~Minimum~~

13 The amounts in the schedule for human services under s. 46.40, to fund services  
14 provided by resource centers under s. 46.283 (5), for services under the family care  
15 benefit under s. 46.284 (5), for reimbursement to counties having a population of less

AUTOREF X

BILL

For alternate funding under  
~~s. 49.45 (53)~~  
and for payments under  
~~(c) SECTION 20.435 (3)~~ A.R. XA

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

17 SECTION ~~4~~ 20.435 (7) (b) of the statutes, as affected by 2003 Wisconsin Act ....  
 18 (this act), is amended to read:

19 20.435 (7) (b) *Community aids and Medical Assistance ~~payments~~*  
 20 The amounts in the schedule for human services under s. 46.40, to fund services  
 21 provided by resource centers under s. 46.283 (5), for services under the family care  
 22 benefit under s. 46.284 (5), for reimbursement to counties having a population of less  
 23 than 500,000 for the cost of court attached intake services under s. 48.06 (4), for  
 24 shelter care under ss. 48.58 and 938.22, and for foster care and treatment foster care  
 25 under s. 49.19 (10), ~~and~~ for Medical Assistance payment adjustments under s. 49.45

**BILL**

and for payments under Section  
\*\*\* (3) AGLXA

for alternate funding under s. 49.45 (53),

1  
2  
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4  
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13

(52) Social services disbursements under s. 46.03 (20) (b) may be made from this appropriation. Refunds received relating to payments made under s. 46.03 (20) (b) for the provision of services for which moneys are appropriated under this paragraph shall be returned to this appropriation. Notwithstanding ss. 20.001 (3) (a) and 20.002 (1), the department of health and family services may transfer funds between fiscal years under this paragraph. The department shall deposit into this appropriation funds it recovers under ss. 46.495 (2) (b) and 51.423 (15) from prior year audit adjustments including those resulting from audits of services under s. 46.26, 1993 stats., or s. 46.27. Except for amounts authorized to be carried forward under s. 46.45, all funds recovered under ss. 46.495 (2) (b) and 51.423 (15) and all funds allocated under s. 46.40 and not spent or encumbered by December 31 of each year shall lapse to the general fund on the succeeding January 1 unless carried forward to the next calendar year by the joint committee on finance.

~~SECTION 5. 20.435 (7) (bd) of the statutes is amended to read:  
20.435 (7) (bd) *Community options program; pilot projects; family care benefit; Medical Assistance payment adjustments.* The amounts in the schedule for assessments, case planning, services, administration and risk reserve escrow accounts under s. 46.27, for pilot projects under s. 46.271 (1), to fund services provided by resource centers under s. 46.283 (5), for services under the family care benefit under s. 46.284 (5) and for the payment of premiums under s. 49.472 (5), and for Medical Assistance payment adjustments under s. 49.45 (52). If the department transfers funds to this appropriation from the appropriation account under sub. (4) (b), the amounts in the schedule for the fiscal year for which the transfer is made are increased by the amount of the transfer for the purposes specified in s. 49.45 (6v). Notwithstanding ss. 20.001 (3) (a) and 20.002 (1), the department may under this~~

## BILL

1 paragraph transfer moneys between fiscal years. Except for moneys authorized for  
2 transfer under this appropriation or under s. 46.27 (7) (fm) or (g), all moneys under  
3 this appropriation that are allocated under s. 46.27 and are not spent or encumbered  
4 by counties or by the department by December 31 of each year shall lapse to the  
5 general fund on the succeeding January 1 unless transferred to the next calendar  
6 year by the joint committee on finance.

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

9 20.435 (7) (bd) *Community options program; pilot projects; family care benefit;*  
10 ~~Medical Assistance payment adjustments.~~ The amounts in the schedule for  
11 assessments, case planning, services, administration and risk reserve escrow  
12 accounts under s. 46.27, for pilot projects under s. 46.271 (1), to fund services  
13 provided by resource centers under s. 46.283 (5), for services under the family care  
14 benefit under s. 46.284 (5), and for the payment of premiums under s. 49.472 (5), ~~and~~  
15 ~~for Medical Assistance payment adjustments under s. 49.45 (52).~~ If the department  
16 transfers funds to this appropriation from the appropriation account under sub. (4)  
17 (b), the amounts in the schedule for the fiscal year for which the transfer is made are  
18 increased by the amount of the transfer for the purposes specified in s. 49.45 (6v).  
19 Notwithstanding ss. 20.001 (3) (a) and 20.002 (1), the department may under this  
20 paragraph transfer moneys between fiscal years. Except for moneys authorized for  
21 transfer under this appropriation or under s. 46.27 (7) (fm) or (g), all moneys under  
22 this appropriation that are allocated under s. 46.27 and are not spent or encumbered  
23 by counties or by the department by December 31 of each year shall lapse to the  
24 general fund on the succeeding January 1 unless transferred to the next calendar  
25 year by the joint committee on finance.

**BILL**

1           SECTION ~~7~~ 25.77 (5) of the statutes, as created by 2003 Wisconsin Act 33, is  
2 repealed.

3           SECTION ~~8~~ 46.275 (5) (a) of the statutes, as affected by 2003 Wisconsin Act 33,  
4 is amended to read:

5           46.275 (5) (a) Medical Assistance reimbursement for services a county, or the  
6 department under sub. (3r), provides under this program is available from the  
7 appropriation accounts under s. 20.435 (4) (b), (gp), (~~hm~~), (o), and (w). If 2 or more  
8 counties jointly contract to provide services under this program and the department  
9 approves the contract, Medical Assistance reimbursement is also available for  
10 services provided jointly by these counties.

11           SECTION ~~9~~ 46.275 (5) (c) of the statutes, as affected by 2003 Wisconsin Act 33,  
12 is amended to read:

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

20           ~~SECTION 10. 46.40 (2) of the statutes, as affected by 2003 Wisconsin Act 33, is  
21 amended to read:~~

22           ~~46.40 (2) BASIC COUNTY ALLOCATION. Subject to sub. (9), for social services under  
23 s. 46.495 (1) (d) and services under s. 51.423 (2), the department shall distribute not  
24 more than \$242,078,700 in each fiscal year, except that, for fiscal year 2005-06, the  
25 department shall distribute not more than \$121,039,350.~~



## BILL

## SECTION 11

1 SECTION 11. 46.40 (2) of the statutes, as affected by 2003 Wisconsin Act .... (this  
2 act), is amended to read:

3 46.40 (2) BASIC COUNTY ALLOCATION. Subject to sub. (9), for social services under  
4 s. 46.495 (1) (d) and services under s. 51.423 (2), the department shall distribute not  
5 more than \$242,078,700 in each fiscal year, except that, for fiscal year 2005-06, the  
6 department shall distribute not more than \$121,039,350.

7 SECTION ~~12~~ 46.40 (9) (d) of the statutes is created to read:

8 46.40 (9) (d) *Payment adjustments for certain Medical Assistance services.* The  
9 department may decrease a county's allocation under sub. (2) by the amount of any  
10 payment adjustments under s. 49.45 (52) made for that county from the  
11 appropriation account under s. 20.435 (7) (b). The total amount of the decrease for  
12 a county under this paragraph during any fiscal year may not exceed that part of the  
13 county's allocation under sub. (2) that derives from the appropriation account under  
14 s. 20.435 (7) (b) for that fiscal year.

15 SECTION ~~13~~ 46.40 (9) (d) of the statutes, as created by 2003 Wisconsin Act ....  
16 (this act), is repealed.

17 SECTION ~~14~~ 46.495 (1) (d) of the statutes is amended to read:

18 46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b) and  
19 (o), the department shall distribute the funding for social services, including funding  
20 for foster care or treatment foster care of a child on whose behalf aid is received under  
21 s. 46.261, to county departments under ss. 46.215, 46.22, and 46.23 as provided  
22 under s. 46.40. County matching funds are required for the distributions under s.  
23 46.40 (2), (8), and (9) (b). Each county's required match for the ~~distributions~~  
24 distribution under s. 46.40 (2) and shall be specified in a schedule established  
25 annually by the department of health and family services. Each county's required

**BILL**

1 match for the distribution under s. 46.40 (8) for a year equals 9.89% of the total of  
2 the county's distributions under s. 46.40 ~~(2) and~~ (8) for that year for which matching  
3 funds are required plus the amount the county was required by s. 46.26 (2) (c), 1985  
4 stats., to spend for juvenile delinquency-related services from its distribution for  
5 1987. Each county's required match for the distribution under s. 46.40 (9) (b) for a  
6 year equals 9.89% of that county's amounts described in s. 46.40 (9) (a) (intro.) for  
7 that year. Matching funds may be from county tax levies, federal and state revenue  
8 sharing funds, or private donations to the county that meet the requirements  
9 specified in s. 51.423 (5). Private donations may not exceed 25% of the total county  
10 match. If the county match is less than the amount required to generate the full  
11 amount of state and federal funds distributed for this period, the decrease in the  
12 amount of state and federal funds equals the difference between the required and the  
13 actual amount of county matching funds.

14 SECTION ~~15~~ <sup>14</sup> 46.495 (1) (d) of the statutes, as affected by 2003 Wisconsin Act ....  
15 (this act), is amended to read:

16 46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b) and  
17 (o), the department shall distribute the funding for social services, including funding  
18 for foster care or treatment foster care of a child on whose behalf aid is received under  
19 s. 46.261, to county departments under ss. 46.215, 46.22, and 46.23 as provided  
20 under s. 46.40. County matching funds are required for the distributions under s.  
21 46.40 (2), (8), and (9) (b). Each county's required match for the ~~distribution~~  
22 distributions under s. 46.40 (2) ~~shall be specified in a schedule established annually~~  
23 ~~by the department of health and family services. Each county's required match for~~  
24 ~~the distribution under s. 46.40~~ and (8) for a year equals 9.89% of the total of the  
25 county's distributions under s. 46.40 (2) and (8) for that year for which matching

## BILL

1 funds are required plus the amount the county was required by s. 46.26 (2) (c), 1985  
 2 stats., to spend for juvenile delinquency-related services from its distribution for  
 3 1987. Each county's required match for the distribution under s. 46.40 (9) (b) for a  
 4 year equals 9.89% of that county's amounts described in s. 46.40 (9) (a) (intro.) for  
 5 that year. Matching funds may be from county tax levies, federal and state revenue  
 6 sharing funds, or private donations to the county that meet the requirements  
 7 specified in s. 51.423 (5). Private donations may not exceed 25% of the total county  
 8 match. If the county match is less than the amount required to generate the full  
 9 amount of state and federal funds distributed for this period, the decrease in the  
 10 amount of state and federal funds equals the difference between the required and the  
 11 actual amount of county matching funds.

12 SECTION ~~16~~ 49.45 (6t) (a) of the statutes, as affected by 2001 Wisconsin Act 16  
 13 and 2003 Wisconsin Act 33, is renumbered 49.45 (6t).

14 SECTION ~~17~~ 49.45 (6t) (b) of the statutes, as created by 2003 Wisconsin Act 33,  
 15 is repealed.

16 SECTION ~~18~~ 49.45 (6tt) of the statutes, as created by 2003 Wisconsin Act 33,  
 17 is repealed.

18 INSERT 10-17

19 SECTION ~~19~~ 49.45 (52) of the statutes is created to read:

20 49.45 (52) PAYMENT ADJUSTMENTS. Beginning on January 1, 2003, the  
 21 department may, from the appropriation account ~~under~~ s. 20.435 (7) (b) ~~and (ba)~~,  
 22 make Medical Assistance payment adjustments to county departments under s.  
 23 46.215, 46.22, 46.23, ~~(6)~~ 51.42, (as appropriate, for covered services under s. 49.46 (2)  
 24 (a) ~~2.~~ and 4. d. and ~~4~~ and (b) 6. b., c., ~~4~~ f., fm., j., k., L., and m., 9., 12., 12m., 13.,  
 25 15., and 16. Payment adjustments under this subsection shall include the state  
 share of the payments. The total of any payment adjustments under this subsection

or 51.437 or to local health departments,  
 as defined in s. 250.01 (4),

**BILL**

1 and Medical Assistance payments made from appropriation accounts under s. 20.435  
2 (4) (b), (gp), (o), and (w) may not exceed applicable limitations on payments under 42  
3 USC 1396a (a) (30) (A).

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

INSERT  
11-5

6 SECTION ~~21~~ 59.53 (24) of the statutes, as created by 2003 Wisconsin Act 33, is  
7 repealed.

8 SECTION ~~22~~ 2003 Wisconsin Act 33, section 9124 (8) is repealed.

INSERT  
11-8

CREATE  
AUTOREF  
Y

9 SECTION ~~23~~ **Appropriation changes.**

create  
auto ref  
11/14/03

10 (1) COMMUNITY AIDS PROGRAM DECREASE. In the schedule under section 20.005  
11 (3) of the statutes for the appropriation to the department of health and family  
12 services under section 20.435 (7) (b) of the statutes, as affected by the acts of 2003,  
13 the dollar amount is decreased by \$42,906,100 for fiscal year 2003-04 and the dollar  
14 amount is decreased by \$10,436,400 for fiscal year 2004-05 for the purposes for  
15 which the appropriation is made.

create  
auto ref  
11/14/03

16 (2) MEDICAL ASSISTANCE PROGRAM INCREASE. In the schedule under section  
17 20.005 (3) of the statutes for the appropriation to the department of health and family  
18 services under section 20.435 (4) (b) of the statutes, as affected by the acts of 2003,  
19 the dollar amount is increased by \$42,906,100 for fiscal year 2003-04 and the dollar  
20 amount is increased by \$10,436,400 for fiscal year 2004-05 for the purposes for which  
21 the appropriation is made.

22 (2) MEDICAL ASSISTANCE TRUST FUND. In the schedule under section 20.005 (3)  
23 of the statutes for the appropriation to the department of health and family services  
24 under section 20.435 (4) (w) of the statutes, as affected by the acts of 2003, the dollar

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BILL

section 20.435(4) (w)

of the statutes (by SECTION (C))

SECTION 23

1 amount is decreased by \$17,000,000 for fiscal year 2004-05 to for the purposes for  
2 which the appropriation is made.

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

and (53)

5 (1) MEDICAL ASSISTANCE PAYMENT ADJUSTMENTS. The treatment of section 49.45

6 (6t) (a) and (b) of the statutes, the repeal of sections 46.40 (9) (d) and 49.45 (52) of the

7 statutes and SECTION 9124 (8) of 2003 Wisconsin Act 33, ~~and~~ the amendment of

8 section 20.435 (7) (b) of the statutes by SECTION 4 ~~section 20.435 (7) (b) of the~~

9 statutes by SECTION 6, and section 46.495 (1) (d) of the statutes by SECTION 15 take

10 effect on ~~December 31, 2005.~~ January 1, 2006

11 (2) BASIC COUNTY ALLOCATION. The amendment of section 46.40 (2) of the

12 statutes by SECTION 11 takes effect on July 1, 2006.

13

(END)

INSERT 12-13

and the creation  
of section 49.45  
(6tu) of the statutes

2003-2004 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-4447/2ins  
DAK:kjfjf

No ~~AR~~

INSERT AR

The bill also authorizes payment under the Community Aids appropriation account, until January 1, 2006, of MA payments to providers of personal care, home health, and respiratory care services.

No ~~AT~~

INSERT AT

However, the bill permits DHFS to make payments from the Community Aids general purpose revenue appropriation account in fiscal year 2004-05 to local health departments that had been receiving CSDRB payments.

No ~~AV~~

INSERT AV

To ensure that county departments and local health departments are held harmless from any payment gap that would exist in 2006, the bill recreates, for that year only, authority to expend moneys from the MA trust fund to provide payment for that purpose.

Create  
AUTOREF  
M

INSERT 3-10

- 1 SECTION 1. 20.435 (4) (w) of the statutes, as affected by 2003 Wisconsin Act ....  
2 (this act), section 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 (6tu), and for  
7 administrative costs associated with augmenting the amount of federal moneys  
8 received under 42 CFR 433.51.

History: 1971 c. 125 ss. 138 to 155, 522 (1); 1971 c. 211, 215, 302, 307, 322; 1973 c. 90, 198, 243; 1973 c. 284 s. 32; 1973 c. 308, 321, 322, 333, 336; 1975 c. 39 ss. 153 to 173, 732 (1), (2); 1975 c. 41 s. 52; 1975 c. 82, 224, 292; 1975 c. 413 s. 18; 1975 c. 422, 423; 1975 c. 430 ss. 1, 2, 80; 1977 c. 29 ss. 236 to 273, 1657 (18); 1977 c. 112; 1977 c. 203 s. 106; 1977 c. 213, 233, 327; 1977 c. 354 s. 101; 1977 c. 359; 1977 c. 418 ss. 129 to 137, 924 (18) (d), 929 (55); 1977 c. 428 s. 115; 1977 c. 447; 1979 c. 32 s. 92 (11); 1979 c. 34, 48; 1979 c. 102 s. 237; 1979 c. 111, 175, 177; 1979 c. 221 ss. 118g to 133, 2202 (20); 1979 c. 238, 300, 331, 361; 1981 c. 20 ss. 301 to 356b, 2202 (20) (b), (d), (g); 1981 c. 93 ss. 3 to 8, 186; 1981 c. 298, 314, 317, 359, 390; 1983 a. 27 ss. 318 to 410, 2202 (20); 1983 a. 192, 199, 245; 1983 a. 333 s. 6; 1983 a. 363, 398, 410, 427; 1983 a. 435 ss. 2, 3, 7; 1983 a. 538; 1985 a. 24, 29, 56, 73, 120, 154, 176, 255, 281, 285, 332; 1987 a. 27, 339, 368, 398, 399, 402; 1987 a. 403 ss. 25, 256; 1987 a. 413; 1989 a. 31, 53; 1989 a. 56 ss. 13, 259; 1989 a. 102; 1989 a. 107 ss. 11, 13, 17 to 37; 1989 a. 120, 122, 173, 199, 202, 318, 336, 359; 1991 a. 6, 39, 189, 269, 275, 290, 315, 322; 1993 a. 16, 27, 76, 98, 99, 168, 183, 377, 437, 445, 446, 450, 469, 479, 490, 491; 1995 a. 27 ss. 806 to 961r, 9126 (19); 1995 a. 77, 98; 1995 a. 216 ss. 26, 27; 1995 a. 266, 276, 289, 303, 404, 417, 440, 448, 464, 468; 1997 a. 27 ss. 211, 214, 216, 217, 527 to 609; 1997 a. 35, 105, 231, 237, 280, 293; 1999 a. 5, 9, 32, 52, 84, 103, 109, 113, 133, 185, 186; 2001 a. 16, 69, 103, 105; 2003 a. 33.

- 9 SECTION 2. 20.435 (4) (w) of the statutes, as affected by 2003 Wisconsin Act ....  
10 (this act), section 3, 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

Create  
AUTOREF P

1 assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5),  
 2 49.45, and 49.472 (6), ~~for providing distributions under s. 49.45 (6tu)~~, and for  
 3 administrative costs associated with augmenting the amount of federal moneys  
 4 received under 42 CFR 433.51.

**History:** 1971 c. 125 ss. 138 to 155, 522 (1); 1971 c. 211, 215, 302, 307, 322; 1973 c. 90, 198, 243; 1973 c. 284 s. 32; 1973 c. 308, 321, 322, 333, 336; 1975 c. 39 ss. 153 to 173, 732 (1), (2); 1975 c. 41 s. 52; 1975 c. 82, 224, 292; 1975 c. 413 s. 18; 1975 c. 422, 423; 1975 c. 430 ss. 1, 2, 80; 1977 c. 29 ss. 236 to 273, 1657 (18); 1977 c. 112; 1977 c. 203 s. 106; 1977 c. 213, 233, 327; 1977 c. 354 s. 101; 1977 c. 359; 1977 c. 418 ss. 129 to 137, 924 (18) (d), 929 (55); 1977 c. 428 s. 115; 1977 c. 447; 1979 c. 32 s. 92 (11); 1979 c. 34, 48; 1979 c. 102 s. 237; 1979 c. 111, 175, 177; 1979 c. 221 ss. 118g to 133, 2202 (20); 1979 c. 238, 300, 331, 361; 1981 c. 20 ss. 301 to 356b, 2202 (20) (b), (d), (e); 1981 c. 93 ss. 3 to 8, 186; 1981 c. 298, 314, 317, 359, 390; 1983 a. 27 ss. 318 to 410, 2202 (20); 1983 a. 192, 199, 245; 1983 a. 333 s. 6; 1983 a. 363, 398, 410, 427; 1983 a. 435 ss. 2, 3, 7; 1983 a. 538; 1985 a. 24, 29, 56, 73, 120, 154, 176, 255, 281, 285, 332; 1987 a. 27, 339, 368, 398, 399, 402; 1987 a. 403 ss. 25, 256; 1987 a. 413; 1989 a. 31, 53; 1989 a. 56 ss. 13, 259; 1989 a. 102; 1989 a. 107 ss. 11, 13, 17 to 37; 1989 a. 120, 122, 173, 199, 202, 318, 336, 359; 1991 a. 6, 39, 189, 269, 275, 290, 315, 322; 1993 a. 16, 27, 76, 98, 99, 168, 183, 377, 437, 445, 446, 450, 469, 479, 490, 491; 1995 a. 27 ss. 806 to 961r, 9126 (19); 1995 a. 77, 98; 1995 a. 216 ss. 26, 27; 1995 a. 266, 276, 289, 303, 404, 417, 440, 448, 464, 468; 1997 a. 27 ss. 211, 214, 216, 217, 527 to 609; 1997 a. 35, 105, 231, 237, 280, 293; 1999 a. 5, 9, 32, 52, 84, 103, 109, 113, 133, 185, 186; 2001 a. 16, 69, 103, 105; 2003 a. 33.

**INSERT 10-17**

5 ~~SECTION 3~~ 49.45 (6tu) of the statutes is created to read:

6 49.45 (6tu) DISTRIBUTIONS TO COUNTY DEPARTMENTS AND LOCAL HEALTH  
 7 DEPARTMENTS. From the appropriation under s. 20.435 (4) (w), the department may  
 8 in each fiscal year distribute moneys to county departments under s. 46.215, 46.22,  
 9 46.23, or 51.42 or to local health departments, as defined in s. 250.001 (4), under a  
 10 plan developed by the department.

11 ~~SECTION 4~~ 49.45 (6tu) of the statutes, as created by 2003 Wisconsin Act .... (this  
 12 act), is repealed.

**INSERT 11-5**

13 ~~SECTION 5~~ 49.45 (53) of the statutes is created to read:

14 49.45 (53) ALTERNATE FUNDING FOR CERTAIN SERVICES. Beginning on January 1,  
 15 2003, the department may, from the appropriation account under s. 20.435 (7) (b),  
 16 make Medical Assistance payments to providers for covered services under s. 49.46  
 17 (2) (a) 2. d. and (b) 6. j. and m.

18 ~~SECTION 6~~ 49.45 (53) of the statutes, as created by 2003 Wisconsin Act .... (this  
 19 act), is repealed.

**INSERT 11-8**

20 SECTION 7. Nonstatutory provisions.

Create AUTOREP  
 X

AUTOREF  
Y

1 (1) COMMUNITY AIDS FUNDING DECREASE. Notwithstanding section 16.42 (1) (e)  
 2 of the statutes, in submitting information under section 16.42 of the statutes for  
 3 purposes of the 2005-2007 biennial budget bill, the department of health and family  
 4 services shall submit information concerning the appropriation under section 20.435  
 5 (7) (b) of the statutes as though the decrease in the dollar amount of that  
 6 appropriation by SECTION <sup>(17)</sup>\*\*\* of this act had not been made.

(17) A.R. (17)

7 (2) MEDICAL ASSISTANCE FUNDING INCREASE. Notwithstanding section 16.42 (1)  
 8 (e) of the statutes, in submitting information under section 16.42 of the statutes for  
 9 purposes of the 2005-2007 biennial budget bill, the department of health and family  
 10 services shall submit information concerning the appropriation under section 20.435  
 11 (4) (b) of the statutes as though the increase in the dollar amount of that  
 12 appropriation by SECTION <sup>(21)</sup>\*\*\* of this act had not been made.

(21) A.R. (4B)

13 <sup>create auto ref XA</sup> (3) PAYMENTS TO LOCAL HEALTH DEPARTMENTS. From the appropriation account  
 14 under section 20.435 (7) (b) of the statutes, as affected by this act, in state fiscal year  
 15 2004-05 the department of health and family services may make payments to local  
 16 health departments, as defined under s. 250.01 (4) of the statutes. Payment under  
 17 this subsection to a local health department may not exceed on an annualized basis  
 18 payment made by the department of health and family services to the local health  
 19 department under section 49.45 (6t) of the statutes for services provided by the local  
 20 health department in 2002.

AUTOREF  
P

INSERT 12-13

21 (2) COMMUNITY SERVICES DEFEIT REDUCTION BENEFIT. The amendment of section  
 22 20.435 (4) (w) of the statutes by Section <sup>(15)</sup>\*\*\*\* and the repeal of section 49.45 (6tu) of  
 23 the statutes take effect on January 1, 2007.

(15)



**BILL**

*RON*

*please see me for this part of your draft*

*KO*

1 services under section 20.435 (4) (b) of the statutes, as affected by the acts of 2003,  
 2 the dollar amount is increased by \$42,906,100 for fiscal year 2003-04 and the dollar  
 3 amount is increased by \$10,436,400 for fiscal year 2004-05 for the purposes for which  
 4 the appropriation is made.

5 (3) MEDICAL ASSISTANCE TRUST FUND. In the schedule under section 20.005 (3)  
 6 of the statutes for the appropriation to the department of health and family services  
 7 under section 20.435 (4) (w) of the statutes, as affected by the acts of 2003, the dollar  
 8 amount is decreased by \$17,000,000 for fiscal year 2004-05 to for the purposes for  
 9 which the appropriation is made.

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

12 (1) MEDICAL ASSISTANCE PAYMENT ADJUSTMENTS. The treatment of section 49.45  
 13 (6t) (a) and (b) of the statutes, the repeal of sections 46.40 (9) (d) and 49.45 (52) and  
 14 (53) of the statutes and section 9124 (8) of 2003 Wisconsin Act 33, the amendment  
 15 of section 20.435 (4) (w) <sup>5</sup> of the statutes (by SECTION 3) <sup>and</sup> of the statutes, section 20.435  
 16 (7) (b) (by SECTION 6) ~~of the statutes~~ and section 46.495 (1) (d) ~~of the statutes~~ by <sup>move</sup>  
 17 SECTION 13, and the creation <sup>of</sup> of section 49.45 (6tu) of the statutes take effect on  
 18 January 1, 2006.

19 (2) COMMUNITY SERVICES DEFICIT REDUCTION BENEFIT. The amendment of section  
 20 20.435 (4) (w) <sup>5</sup> of the statutes by Section 4 and the repeal of section 49.45 (6tu) of the  
 21 statutes take effect on January 1, 2007.

(END)

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**Kennedy, Debora**

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**From:** Kennedy, Debora  
**Sent:** Tuesday, March 09, 2004 9:26 AM  
**To:** Blaine, Robert  
**Subject:** RE: bill draft

Okay. I am almost done. I am also waiting for Neil to clarify some of the svices that he specified in his e-mail--not all of the services that some of the statutory references specify in the text of the statutes are included in his listing, so I've not been sure if the omission was intentional or not--he's checking.

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

**From:** Blaine, Robert  
**Sent:** Tuesday, March 09, 2004 9:19 AM  
**To:** Kennedy, Debora  
**Subject:** RE: bill draft

I talked with Fredi this morning -- they are trying to get a new number, but don't know when it will be ready. I definitely think that if you've finished the changes and haven't heard from us, to go ahead and do the /2. We may just have to live with the numbers as they are.

Thanks again, Robert

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

**From:** Kennedy, Debora  
**Sent:** Monday, March 08, 2004 5:20 PM  
**To:** Blaine, Robert  
**Subject:** RE: bill draft

Thanks very much, Rob. I have received the changes from Neil, so the only thing left is to hear from Freddi Bove. I am having to do amendments to bills first, but should have the changes we've talked about made by midmorning tomorrow.

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

**From:** Blaine, Robert  
**Sent:** Monday, March 08, 2004 5:16 PM  
**To:** Kennedy, Debora  
**Subject:** bill draft

Debora --

I felt I should pass it along to you that, as far as I can surmise, there is still hope amongst the administration that this bill would be introduced and acted upon this week. In many ways it's hard for me to see this many pieces coming together in such a short amount of time, but on the other hand, no explicit decision has been made to try and work this through a special or extraordinary session.

I just thought I should share this, since when we talked before, I indicated that our time pressure might have eased a bit. Of course, I recognize that we've all been working as fast as possible.

Thanks for your help,  
Robert

**Kennedy, Debora**

---

**From:** Kennedy, Debora  
**Sent:** Tuesday, March 09, 2004 10:48 AM  
**To:** Blaine, Robert  
**Subject:** 20.435 (7) (b) changes

I've talked with Becky Tradewell and consulted the Drafting Manual, and this is what we have come up with:

**NONSTATUTORY PROVISIONS:**

(1) Community Aids appropriation base amount. (a) Notwithstanding section 16.42 (1) (e) of the statutes, in submitting information under section 16.42 of the statutes for purposes of the 2005-2007 biennial budget bill, the department of health and family services shall submit information concerning the appropriation under section 20.435 (7) (b) of the statutes for fiscal year 2005-06 as though the amount specified in the schedule under section 20.005 for that appropriation for fiscal year 2004-05 was \$92,988,300.

(b) In submitting information under section 16.42 of the statutes for purposes of the 2005-2007 biennial budget bill, the department of health and family services shall request that the amount appropriated for expenditure under section 20.435 (7) (b) of the statutes specified in the schedule under section 20.005 for that appropriation for fiscal year 2006-07 be at least \$185,9976,500.

According to the Drafting Manual: "A requester may request that an appropriation decrease or a reduction from the currently established "base level" of an appropriation not affect the appropriation's "base level" in future fiscal years. Because there is no way to bind the legislature to this course of action and because, under s. 16.42 (1) (e), stats., the secretary of administration determines the base level for purposes of determining an agency's proposed budget for future fiscal years, you may not prevent continuation of the decrease or reduction in future fiscal years. You may, however, decrease the likelihood of its continuation by ... inserting a nonstatutory provision directing the affected agency to submit its proposed budget to the secretary of administration for the next fiscal biennium as though the decrease or reduction from a specified previous appropriation amount had not occurred.

*Debora A. Kennedy*  
Managing Attorney  
Legislative Reference Bureau  
(608) 266-0137  
debora.kennedy@legis.state.wi.us

**Kennedy, Debora**

**From:** Blaine, Robert  
**Sent:** Friday, March 12, 2004 4:23 PM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** LRB 4472 -- MA & Community Aids

Debora --

*Doesn't this mean that 49.45 (52) + (53) should not reference 20.435 (7)(b), + lang. in (7)(b) re them shd. be deleted? What abt SEC*

I wanted to go ahead and send this over, though I realize you may not have time to deal with it given your vacation next week. As we discussed, it's highly unlikely this will go anywhere in the next week or two, so I do think we have some time.

As I mentioned yesterday, we were considering an option to allow transfers between appropriations s. 20.435(7)(b) and (4)(b), within a limitation. We would like 1/3 of this draft to reflect such a modification. Another broad change is that there won't be a FY04 fiscal effect; it will all occur in FY05. Specific changes would include:

- 1) Section 5: permit the transfer of authority to appropriation (4)(b) in an amount not to exceed \$51,519,800 in fiscal year 2004-05.
- 2) Section 6: would need to be modified to reflect the changes in Section 5.
- 3) Question: would changes to 4(b) be needed as well? If so, we would request language that permits 4(b) to receive authority from 7(b) in amounts equal to those specified above. This new section would also need to be double drafted, since it would be repealed next biennium.
- 4) Section 25: paragraph (1) should be deleted, and paragraphs (2) and (3) should be renumbered to (1) and (2).
- 5) Section 26: paragraphs (1) and (2) as they currently exist would need to be deleted. We would need a new paragraph to reduce the MA Trust Fund appropriation 20.435 (4)(w) in an amount equal to \$51,519,800 in fiscal year 2004-05.

Thanks,

**Robert Blaine**

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

*No see later instruction? Increase par. (3)?*

*(7)(b)  
(7)(bc)  
(bd)*

*Robert Blaine out of office all week  
Fredi Bove out of office until 3/17*

4447/2

From Robert Blaine

03/10/04:

✓ ① Fix p. 10, l. 14 - 49.46 (2) (a) 4. d.

✓ ② SEC 25 (3)

✓ p. 11, l. 12 - want 250.01 (4) (a) 3

✓ change analysis to note that these are city health depts

③ Numbers may change

④ May want to change language re approp. changes

Appropriations

⑤ (a) If keep as is, LFB wants decrease 20.435 (4) (w) same as SEC 26 (1)

⑥ If change to permitting transfers from (7) (b) to (4) (b), don't need (a)

⑦ Analysis - 3rd full par.  
"certain" nursing services

⑧ Expanding 20.435 (7) (b)

p. 4 + 5 - instead of "alternate funding" use MA payments under s. 49.45 (53) - change 49.45 (53) (title)

---

**Kennedy, Debora**

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**From:** Blaine, Robert  
**Sent:** Monday, March 22, 2004 9:19 AM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** RE: LRB 4472 -- MA & Community Aids

Hi Debora --

Welcome back. I hope you had a nice vacation.

I did have one correction to my instructions below. See change number (5). At the end, I said to create a new paragraph reducing 4(w) by \$51.5 mn. Please ignore this instruction. No new paragraph is needed at this time.

Thanks,  
Robert

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

**From:** Blaine, Robert  
**Sent:** Friday, March 12, 2004 4:23 PM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** LRB 4472 -- MA & Community Aids

Debora --

I wanted to go ahead and send this over, though I realize you may not have time to deal with it given your vacation next week. As we discussed, it's highly unlikely this will go anywhere in the next week or two, so I do think we have some time.

As I mentioned yesterday, we were considering an option to allow transfers between appropriations s. 20.435(7)(b) and (4)(b), within a limitation. We would like 1/3 of this draft to reflect such a modification. Another broad change is that there won't be a FY04 fiscal effect; it will all occur in FY05. Specific changes would include:

- 1) Section 5: permit the transfer of authority to appropriation (4)(b) in an amount not to exceed \$51,519,800 in fiscal year 2004-05.
- 2) Section 6: would need to be modified to reflect the changes in Section 5.
- 3) Question: would changes to 4(b) be needed as well? If so, we would request language that permits 4(b) to receive authority from 7(b) in amounts equal to those specified above. This new section would also need to be double drafted, since it would be repealed next biennium.
- 4) Section 25: paragraph (1) should be deleted, and paragraphs (2) and (3) should be renumbered to (1) & (2).
- 5) Section 26: paragraphs (1) and (2) as they currently exist would need to be deleted. We would need a new paragraph to reduce the MA Trust Fund appropriation 20.435 (4)(w) in an amount equal to \$51,519,800 in fiscal year 2004-05.

Thanks,

**Robert Blaine**

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

## Kennedy, Debora

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**From:** Blaine, Robert  
**Sent:** Monday, March 22, 2004 11:31 AM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** RE: LRB 4472 -- MA & Community Aids

Debora -- one more thing. Could you add another provision, which makes these changes effective upon approval of our state plan amendments by the federal government? You may recall we did a similar thing in the budget bill with the repeal of CSDRB (i.e., effective only if we got federal approval of our state plan).

Thanks,  
Robert

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

**From:** Blaine, Robert  
**Sent:** Monday, March 22, 2004 9:19 AM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** RE: LRB 4472 -- MA & Community Aids

Hi Debora --

Welcome back. I hope you had a nice vacation.

I did have one correction to my instructions below. See change number (5). At the end, I said to create a new paragraph reducing 4(w) by \$51.5 mn. Please ignore this instruction. No new paragraph is needed at this time.

Thanks,  
Robert

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

**From:** Blaine, Robert  
**Sent:** Friday, March 12, 2004 4:23 PM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** LRB 4472 -- MA & Community Aids

Debora --

I wanted to go ahead and send this over, though I realize you may not have time to deal with it given your vacation next week. As we discussed, it's highly unlikely this will go anywhere in the next week or two, so I do think we have some time.

As I mentioned yesterday, we were considering an option to allow transfers between appropriations s. 20.435(7)(b) and (4)(b), within a limitation. We would like 1/3 of this draft to reflect such a modification. Another broad change is that there won't be a FY04 fiscal effect; it will all occur in FY05. Specific changes would include:

- 1) Section 5: permit the transfer of authority to appropriation (4)(b) in an amount not to exceed \$51,519,800 in fiscal year 2004-05.
- 2) Section 6: would need to be modified to reflect the changes in Section 5.
- 3) Question: would changes to 4(b) be needed as well? If so, we would request language that permits 4(b) to receive authority from 7(b) in amounts equal to those specified above. This new section would also need to be double drafted, since it would be repealed next biennium.
- 4) Section 25: paragraph (1) should be deleted, and paragraphs (2) and (3) should be renumbered to (1) & (2).
- 5) Section 26: paragraphs (1) and (2) as they currently exist would need to be deleted. We would need a new paragraph to reduce the MA Trust Fund appropriation 20.435 (4)(w) in an amount equal to \$51,519,800 in fiscal

year 2004-05.

Thanks,

**Robert Blaine**

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



## Kennedy, Debora

---

**From:** Kennedy, Debora  
**Sent:** Monday, March 29, 2004 2:33 PM  
**To:** Blaine, Robert  
**Subject:** FW: You cannot combine a program revenue appropriation with a gpr appropriation See 20.04 (4) Wisconsin Bill Drafting Manual. Besides, it makes no sense.

This is the answer I got from Peter Dykman, Robert.

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

**From:** Dykman, Peter  
**Sent:** Monday, March 29, 2004 2:21 PM  
**To:** Kennedy, Debora  
**Subject:** You cannot combine a program revenue appropriation with a gpr appropriation See 20.04 (4) Wisconsin Bill Drafting Manual. Besides, it makes no sense.

### 20.04(4)

(4) Sum Certain Appropriations. (a) If a requester asks you to transfer moneys from one GPR annual appropriation to another, or from one SEG annual appropriation (not from program revenue) to another, you can accomplish this using only an appropriation increase and an appropriation decrease. You should not use transfer language in that situation, because these appropriations only consist of the amounts in the schedule.

### 20.04(4)(am)

(am) Because the budget bill repeals and recreates the appropriation schedule in s. 20.005 (3), stats., in that bill you may not transfer amounts from sum certain appropriations, except from existing sum certain continuing appropriations or other sum certain nonlapsing appropriations such as program revenue appropriations. In amending the budget bill, increase and decrease the dollar amounts in the schedule to shift funding from one appropriation to another.

### 20.04(4)(b)

(b) When you transfer money to or from a sum certain PR or SEG from program receipts appropriation account, you only place the money in the appropriation account or remove money from the account, you do not affect the amount authorized to be expended from the account. If you also want to change the amount authorized to be expended from the account, provide a separate appropriation increase or decrease.

## Kennedy, Debora

**From:** Kennedy, Debora  
**Sent:** Tuesday, March 30, 2004 9:41 AM  
**To:** Blaine, Robert  
**Subject:** RE: Bill draft

No, Robert, unfortunately they aren't new policies in the Drafting Manual. Sections 20.435 (7) (bc) and (bL) are, in fact, incorrectly drafted. I'm not completely sure that I drafted them, because I haven't yet looked back through the statutory history, but I likely am the guilty party and, if I did, I should not have. The main problem is that transfers of this type render the receiving appropriation some sort of a program revenue-service--sum certain hybrid, which we are not allowed to do. It's not an issue that can be corrected by notwithstanding some provision of ch. 20, stats., because the language of the appropriation itself limits its expenditure authority to the amounts in the schedule; that's why the classic approach is to use an appropriation change upper and downer that affect the amounts in the schedule.

I'm not quite sure why the classic approach, plus language about the base, would not serve your needs. Is there something that I'm missing that is an extra problem posed for you? If so, perhaps we could tackle it and figure out what could work.

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

**From:** Blaine, Robert  
**Sent:** Tuesday, March 30, 2004 9:20 AM  
**To:** Kennedy, Debora  
**Cc:** Johnston, James; Bove, Fredi-Ellen; Forsaith, Andrew  
**Subject:** RE: Bill draft

*3/31/04: Robert Blaine agreed to use "uppers" and "downers," rather than a transfer. Requested the bill by 4/1/04.*

Debora -- thanks for looking into this. I must admit I'm a bit confused, given the current example in the statutes we discussed on Friday -- 20.435 (7)(bc) and (bL). Are these new policies in the drafter's manual?

I confirmed with DHFS that (7)(bc) and (bL) work currently like we proposed (7)(b) and (4)(b) to work. At some point during a given fiscal year, the department determines an amount to transfer. We at DOA then adjust the appropriation levels in the accounting system accordingly. However, the Ch. 20 schedule does not change -- thus, when we calculate the base for the next biennium, we revert back to the way it was set in Ch. 20. In other words, the adjusted base for the next biennium does not reflect these appropriation transfers.

I can understand the drafters manual in the context of a permanent transfer of appropriation authority between two alphas, but what we are proposing would be effective only in this biennium.

Your thoughts are appreciated.

Robert

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

**From:** Kennedy, Debora  
**Sent:** Monday, March 29, 2004 2:33 PM  
**To:** Blaine, Robert  
**Subject:** FW: You cannot combine a program revenue appropriation with a gpr appropriation See 20.04 (4) Wisconsin Bill Drafting Manual. Besides, it makes no sense.

This is the answer I got from Peter Dykman, Robert.

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

**From:** Dykman, Peter  
**Sent:** Monday, March 29, 2004 2:21 PM  
**To:** Kennedy, Debora  
**Subject:** You cannot combine a program revenue appropriation with a gpr appropriation See 20.04 (4) Wisconsin Bill Drafting Manual. Besides, it makes no sense.

20.04(4)

(4) Sum Certain Appropriations. (a) If a requester asks you to transfer moneys from one GPR annual appropriation to another, or from one SEG annual appropriation (not from program revenue) to another, you can

accomplish this using only an appropriation increase and an appropriation decrease. You should not use transfer language in that situation, because these appropriations only consist of the amounts in the schedule.

**20.04(4)(am)**

(am) Because the budget bill repeals and recreates the appropriation schedule in s. 20.005 (3), stats., in that bill you may not transfer amounts from sum certain appropriations, except from existing sum certain continuing appropriations or other sum certain nonlapsing appropriations such as program revenue appropriations. In amending the budget bill, increase and decrease the dollar amounts in the schedule to shift funding from one appropriation to another.

**20.04(4)(b)**

(b) When you transfer money to or from a sum certain PR or SEG from program receipts appropriation account, you only place the money in the appropriation account or remove money from the account, you do not affect the amount authorized to be expended from the account. If you also want to change the amount authorized to be expended from the account, provide a separate appropriation increase or decrease.

## Kennedy, Debora

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**From:** Kennedy, Debora  
**Sent:** Tuesday, March 30, 2004 9:42 AM  
**To:** Blaine, Robert  
**Subject:** FW: You cannot combine a program revenue appropriation with a gpr appropriation See 20.04 (4) and other sections of the Wisconsin Bill Drafting Manual. Besides, it makes no sense.

Robert, these are augmented provisions that Peter came up with later yesterday.

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

**From:** Dykman, Peter  
**Sent:** Monday, March 29, 2004 2:35 PM  
**To:** Kennedy, Debora  
**Subject:** You cannot combine a program revenue appropriation with a gpr appropriation See 20.04 (4) and other sections of the Wisconsin Bill Drafting Manual. Besides, it makes no sense.

### 7.22(1)(a)3.

3. Be mindful that a transfer of assets or liabilities is not sufficient to transfer specific appropriation balances or expenditure authority. If specific appropriation balances or expenditure authority must be transferred, you may need to create or amend appropriations in the receiving agency (and to repeal or amend appropriations in the sending agency) or renumber appropriations from the sending agency to the receiving agency in order to effect the requester's intent. **If you transfer a sum certain appropriation amount, you may need to increase the expenditure authority of the receiving agency in order for the amount to be expended.** If you are transferring to or from an appropriation for which the account balance is different from the expenditure authority, you need to be clear what you mean to do. See sec. 20.04, Drafting Manual.

### 20.02(7)(b)

(b) If you do not know the amount to insert in the schedule, insert "-0-" and attach a drafter's note stating that when the dollar amounts are known the requester should contact you so that you can redraft the proposal or draft an amendment, if the requester wants to appropriate money or if money is required for implementation. Use the drafter's note form [2003dnote(fm)] (or modify the form as appropriate) to request dollar amounts or just write "dn\$0" on a separate sheet of paper and attach it to the draft. See example 20.02 (7) (A). Do not write that the bill is not ready for introduction. If the draft contains no provision that enables a department or agency to project the fiscal effect and the amount of funding is strictly a policy decision, encourage the requester to decide upon and insert the desired amount in the schedule when the original bill is drafted. This avoids having to amend the bill and precludes the possibility that the bill will be left unfunded or that the bill will be funded at a different level than the requester expects. Try not to insert "-0-" amounts in an amendment if you know that they must be replaced with dollar figures. When you draft a substitute amendment, try to substitute dollar figures for any "-0-" amounts in the original bill. In some bills, failure to fill in the appropriation amounts results in an enactment that cannot be implemented. In other bills, it may be possible to defer consideration of appropriations until after enactment. If you create an appropriation with "-0-" in the schedule but provide for moneys to be transferred into the appropriation account and the moneys are authorized to be expended, you need not attach a drafter's note. **(See sec. 20.04 (4) (b), Drafting Manual, which describes potential problems with transferring moneys into sum certain appropriations.)** See chapter 322, laws of 1971; chapters 404 and 405, laws of 1975; chapter 237, laws of 1977; chapter 347, laws of 1979; and 2001 Wisconsin Act 69, for examples of cases in which dollar figures were not substituted.

20.04

20.04 APPROPRIATION TRANSFERS.

20.04(1)

(1) When Used. Moneys are "transferred" when they are moved from one fund to another fund (see 1999 Wisconsin Act 9, section 9236 (1c)), when they are moved from one appropriation account to another appropriation account (see example 20.04, sections 11 and 12); when they are moved from an appropriation account in one fund to another fund (see 2001 Wisconsin Act 16, sections 9204 (1) and 9237 (2)); or when they are moved from one fund to a PR or SEG from program receipts appropriation account in that fund or another fund (see 2001 Wisconsin Act 16, section 9125 (1mk)). It does not matter whether the moneys were appropriated or unappropriated in the appropriation account from which they are transferred. **If the requester wishes to make the transferred moneys available for expenditure, you must consider whether the moneys are appropriated in the receiving appropriation account.** For example, if you are transferring moneys into a program revenue continuing appropriation account that provides "All moneys received under s. 56.02 (3) for ....", insert "and all moneys transferred from s. 20.125 (1) (h)" after "s. 56.02 (3)." See subs. (4) (b) and (6).

20.04(4)

**(4) Sum Certain Appropriations. (a) If a requester asks you to transfer moneys from one GPR annual appropriation to another, or from one SEG annual appropriation (not from program revenue) to another, you can accomplish this using only an appropriation increase and an appropriation decrease. You should not use transfer language in that situation, because these appropriations only consist of the amounts in the schedule.**

20.04(4)(am)

**(am) Because the budget bill repeals and recreates the appropriation schedule in s. 20.005 (3), stats., in that bill you may not transfer amounts from sum certain appropriations, except from existing sum certain continuing appropriations or other sum certain nonlapsing appropriations such as program revenue appropriations. In amending the budget bill, increase and decrease the dollar amounts in the schedule to shift funding from one appropriation to another.**

20.04(4)(b)

(b) When you transfer money to or from a sum certain PR or SEG from program receipts appropriation account, you only place the money in the appropriation account or remove money from the account, you do not affect the amount authorized to be expended from the account. If you also want to change the amount authorized to be expended from the account, provide a separate appropriation increase or decrease.



BY 12:00  
State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-4447/3

DAK:kjf:rw

## 2003 BILL

REGENERATE

1 AN ACT *to repeal* 20.435 (4) (hm), 25.77 (5), 46.40 (9) (d), 49.45 (6t) (b), 49.45 (6tt),  
2 49.45 (6tu), 49.45 (52), 49.45 (53) and 59.53 (24); *to renumber* 49.45 (6t) (a);  
3 *to amend* 20.435 (4) (w), 20.435 (4) (w), 20.435 (4) (w), 20.435 (7) (b), 20.435 (7)  
4 (b), 46.275 (5) (a), 46.275 (5) (c), 46.495 (1) (d) and 46.495 (1) (d); *to create* 46.40  
5 (9) (d), 49.45 (6tu), 49.45 (52) and 49.45 (53) of the statutes; and *to affect* 2003  
6 Wisconsin Act 33, section 9124 (8); **relating to:** Medical Assistance Program  
7 and Community Aids Program funding and programs and making  
8 appropriations.

### *Analysis by the Legislative Reference Bureau*

Under current law, Medical Assistance (MA) is a joint federal-state program administered by the Department of Health and Family Services (DHFS), under which persons with low income and few assets are provided health care services. The health care service providers are reimbursed for their services by a combination of state general purpose revenues, state segregated revenue from the MA trust fund, and federal Medicaid matching moneys.

Currently, under the Community Aids Program, DHFS distributes to county departments of social services, human services, community programs, and developmental disabilities services moneys for community social, mental health,

**BILL**

developmental disabilities, <sup>and</sup> alcohol and other drug abuse services, and other services, including child abuse and neglect and unborn child abuse services and Alzheimer's family and caregiver support services. Moneys for the Community Aids Program are provided from, among other sources, state general purpose revenues, county revenues, and federal moneys under the federal social services block grant, converted Temporary Assistance for Needy Families block grant moneys, and moneys under Title IV-B of the federal Social Security Act.

Under current law under 2003 Wisconsin Act 33 (the biennial budget act), an appropriation account of program revenue was created to provide supplemental MA program benefits for numerous services and to receive moneys that, upon demand by DHFS, were required, under the biennial budget act, to be paid by counties through intergovernmental transfers to obtain federal Medicaid matching moneys.

Also under current law under the biennial budget act, the community services deficit reduction benefit (CSDRB), under which counties and local health departments can claim federal Medicaid matching funds to cover costs for MA services provided that are not fully reimbursed, was made inapplicable if increased federal Medicaid matching funds through the use of intergovernmental transfers were approved before July 1, 2005. Any county or local health department that received a CSDRB distribution after 2002 would be required to return the distribution to DHFS. However, moneys from the MA trust fund were required to provide payments to county departments and local health departments to hold them harmless from the elimination of the CSDRB.

This bill authorizes DHFS, beginning on January 1, 2003, to make, from the general purpose revenue appropriation account for the Community Aids Program, MA payment adjustments to county departments of social services, human services community programs, or developmental disabilities services or to local health departments for MA services. The MA services for which this funding is provided include early and periodic screening and diagnosis; home health services; services and supplies for family planning; physical and occupational therapy; speech, hearing, and language disorder services; medical day treatment services; certain mental health and alcohol and other drug abuse services; nursing services; personal care services; respiratory care services; care coordination for high-risk pregnancies; prenatal, postpartum, and young child care coordination; lead poisoning and lead exposure services; mental health crisis intervention services; and certain case management services. The bill also authorizes payment under the Community Aids appropriation account, until January 1, 2006, of MA payments to providers of personal care, home health, and respiratory care services. The bill decreases the Community Aids Program general purpose revenues appropriation for fiscal year ~~2004-05~~ 2004-05, and increases the MA general purpose revenues appropriation by like amount, for the same fiscal year. <sup>certain</sup> INSERT A X

The bill eliminates the appropriation account of program revenue created under the biennial budget act to supplement MA program benefits, eliminates the requirements for counties, upon demand by DHFS, to make payments to DHFS for inclusion in that appropriation account, and eliminates the designation of moneys transferred from that appropriation account to the MA trust fund.

**BILL**

The bill eliminates the allocation of moneys from the MA trust fund to hold county departments and local health departments harmless for the loss of moneys under the elimination of the CSDRB and reduces the MA trust fund by \$17,000,000 for fiscal year 2004-05. However, the bill permits DHFS to make payments from the Community Aids general purpose revenue appropriation account in fiscal year 2004-05 to ~~local~~ <sup>city</sup> health departments that had been receiving CSDRB payments. As of January 1, 2006, the bill also eliminates provisions that would have made the CSDRB inapplicable if increased federal Medicaid matching funds through the use of intergovernmental transfers had been approved, and restores the CSDRB. To ensure that county departments and local health departments are held harmless from any payment gap that would exist in 2006, the bill recreates, for that year only, authority to expend moneys from the MA trust fund to provide payment for that purpose.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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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.

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

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

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

13           20.435 (4) (w) *Medical Assistance trust fund.* From the Medical Assistance  
14 trust fund, biennially, the amounts in the schedule for meeting costs of medical



## BILL

1 assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5),  
2 49.45, and 49.472 (6), for providing distributions under s. 49.45 (6tu), and for  
3 administrative costs associated with augmenting the amount of federal moneys  
4 received under 42 CFR 433.51.

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

7 20.435 (4) (w) *Medical Assistance trust fund.* From the Medical Assistance  
8 trust fund, biennially, the amounts in the schedule for meeting costs of medical  
9 assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5),  
10 49.45, and 49.472 (6), ~~for providing distributions under s. 49.45 (6tu)~~, and for  
11 administrative costs associated with augmenting the amount of federal moneys  
12 received under 42 CFR 433.51.

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

14 20.435 (7) (b) *Community aids and Medical Assistance payments.* The  
15 amounts in the schedule for human services under s. 46.40, to fund services provided  
16 by resource centers under s. 46.283 (5), for services under the family care benefit  
17 under s. 46.284 (5), for reimbursement to counties having a population of less than  
18 500,000 for the cost of court attached intake services under s. 48.06 (4), for shelter  
19 care under ss. 48.58 and 938.22 and , for foster care and treatment foster care under  
20 s. 49.19 (10), for Medical Assistance payment adjustments under s. 49.45 (52), for  
21 ~~alternative funding~~ under s. 49.45 (53), and for payments under SECTION 25 (3). Social  
22 services disbursements under s. 46.03 (20) (b) may be made from this appropriation.  
23 Refunds received relating to payments made under s. 46.03 (20) (b) for the provision  
24 of services for which moneys are appropriated under this paragraph shall be  
25 returned to this appropriation. Notwithstanding ss. 20.001 (3) (a) and 20.002 (1), the

Medical Assistance payments

**BILL**

1 department of health and family services may transfer funds between fiscal years  
2 under this paragraph. The department shall deposit into this appropriation funds  
3 it recovers under ss. 46.495 (2) (b) and 51.423 (15) from prior year audit adjustments  
4 including those resulting from audits of services under s. 46.26, 1993 stats., or s.  
5 46.27. Except for amounts authorized to be carried forward under s. 46.45, all funds  
6 recovered under ss. 46.495 (2) (b) and 51.423 (15) and all funds allocated under s.  
7 46.40 and not spent or encumbered by December 31 of each year shall lapse to the  
8 general fund on the succeeding January 1 unless carried forward to the next calendar  
9 year by the joint committee on finance.

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

12 20.435 (7) (b) *Community aids and Medical Assistance payments.* The  
13 amounts in the schedule for human services under s. 46.40, to fund services provided  
14 by resource centers under s. 46.283 (5), for services under the family care benefit  
15 under s. 46.284 (5), for reimbursement to counties having a population of less than  
16 500,000 for the cost of court attached intake services under s. 48.06 (4), for shelter  
17 care under ss. 48.58 and 938.22, and for foster care and treatment foster care under  
18 s. 49.19 (10), ~~for Medical Assistance payment adjustments under s. 49.45 (52), for~~  
19 ~~payments under s. 49.45 (53), and for payments under Section 25 (3).~~ Social  
20 services disbursements under s. 46.03 (20) (b) may be made from this appropriation.  
21 Refunds received relating to payments made under s. 46.03 (20) (b) for the provision  
22 of services for which moneys are appropriated under this paragraph shall be  
23 returned to this appropriation. Notwithstanding ss. 20.001 (3) (a) and 20.002 (1), the  
24 department of health and family services may transfer funds between fiscal years  
25 under this paragraph. The department shall deposit into this appropriation funds

~~Medical Assistance payments~~  
strike

**BILL**

1 it recovers under ss. 46.495 (2) (b) and 51.423 (15) from prior year audit adjustments  
2 including those resulting from audits of services under s. 46.26, 1993 stats., or s.  
3 46.27. Except for amounts authorized to be carried forward under s. 46.45, all funds  
4 recovered under ss. 46.495 (2) (b) and 51.423 (15) and all funds allocated under s.  
5 46.40 and not spent or encumbered by December 31 of each year shall lapse to the  
6 general fund on the succeeding January 1 unless carried forward to the next calendar  
7 year by the joint committee on finance.

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

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

12 46.275 (5) (a) Medical Assistance reimbursement for services a county, or the  
13 department under sub. (3r), provides under this program is available from the  
14 appropriation accounts under s. 20.435 (4) (b), (gp), (~~hm~~), (o), and (w). If 2 or more  
15 counties jointly contract to provide services under this program and the department  
16 approves the contract, Medical Assistance reimbursement is also available for  
17 services provided jointly by these counties.

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

20 46.275 (5) (c) The total allocation under s. 20.435 (4) (b), (gp), (~~hm~~), (o), and (w)  
21 to counties and to the department under sub. (3r) for services provided under this  
22 section may not exceed the amount approved by the federal department of health and  
23 human services. A county may use funds received under this section only to provide  
24 services to persons who meet the requirements under sub. (4) and may not use

**BILL**

1 unexpended funds received under this section to serve other developmentally  
2 disabled persons residing in the county.

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

4 46.40 (9) (d) *Payment adjustments for certain Medical Assistance services.* The  
5 department may decrease a county's allocation under sub. (2) by the amount of any  
6 payment adjustments under s. 49.45 (52) made for that county from the  
7 appropriation account under s. 20.435 (7) (b). The total amount of the decrease for  
8 a county under this paragraph during any fiscal year may not exceed that part of the  
9 county's allocation under sub. (2) that derives from the appropriation account under  
10 s. 20.435 (7) (b) for that fiscal year.

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

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

14 46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b) and  
15 (o), the department shall distribute the funding for social services, including funding  
16 for foster care or treatment foster care of a child on whose behalf aid is received under  
17 s. 46.261, to county departments under ss. 46.215, 46.22, and 46.23 as provided  
18 under s. 46.40. County matching funds are required for the distributions under s.  
19 46.40 (2), (8), and (9) (b). Each county's required match for the ~~distributions~~  
20 distribution under s. 46.40 (2) ~~and shall be specified in a schedule established~~  
21 annually by the department of health and family services. Each county's required  
22 match for the distribution under s. 46.40 (8) for a year equals 9.89% of the total of  
23 the county's distributions under s. 46.40 (2) and (8) for that year for which matching  
24 funds are required plus the amount the county was required by s. 46.26 (2) (c), 1985  
25 stats., to spend for juvenile delinquency-related services from its distribution for

**BILL**

1 1987. Each county's required match for the distribution under s. 46.40 (9) (b) for a  
2 year equals 9.89% of that county's amounts described in s. 46.40 (9) (a) (intro.) for  
3 that year. Matching funds may be from county tax levies, federal and state revenue  
4 sharing funds, or private donations to the county that meet the requirements  
5 specified in s. 51.423 (5). Private donations may not exceed 25% of the total county  
6 match. If the county match is less than the amount required to generate the full  
7 amount of state and federal funds distributed for this period, the decrease in the  
8 amount of state and federal funds equals the difference between the required and the  
9 actual amount of county matching funds.

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

12 46.495 (1) (d) From the appropriations under s. 20.435 (3) (o) and (7) (b) and  
13 (o), the department shall distribute the funding for social services, including funding  
14 for foster care or treatment foster care of a child on whose behalf aid is received under  
15 s. 46.261, to county departments under ss. 46.215, 46.22, and 46.23 as provided  
16 under s. 46.40. County matching funds are required for the distributions under s.  
17 46.40 (2), (8), and (9) (b). Each county's required match for the ~~distribution~~  
18 distributions under s. 46.40 (2) ~~shall be specified in a schedule established annually~~  
19 ~~by the department of health and family services. Each county's required match for~~  
20 ~~the distribution under s. 46.40 and~~ (8) for a year equals 9.89% of the total of the  
21 county's distributions under s. 46.40 (2) and (8) for that year for which matching  
22 funds are required plus the amount the county was required by s. 46.26 (2) (c), 1985  
23 stats., to spend for juvenile delinquency-related services from its distribution for  
24 1987. Each county's required match for the distribution under s. 46.40 (9) (b) for a  
25 year equals 9.89% of that county's amounts described in s. 46.40 (9) (a) (intro.) for

**BILL**

1 that year. Matching funds may be from county tax levies, federal and state revenue  
2 sharing funds, or private donations to the county that meet the requirements  
3 specified in s. 51.423 (5). Private donations may not exceed 25% of the total county  
4 match. If the county match is less than the amount required to generate the full  
5 amount of state and federal funds distributed for this period, the decrease in the  
6 amount of state and federal funds equals the difference between the required and the  
7 actual amount of county matching funds.

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

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

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

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

15 49.45 (6tu) DISTRIBUTIONS TO COUNTY DEPARTMENTS AND LOCAL HEALTH  
16 DEPARTMENTS. From the appropriation under s. 20.435 (4) (w), the department may  
17 in each fiscal year distribute moneys to county departments under s. 46.215, 46.22,  
18 46.23, or 51.42 or to local health departments, as defined in s. 250.01 (4), under a plan  
19 developed by the department.

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

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

23 49.45 (52) PAYMENT ADJUSTMENTS. Beginning on January 1, 2003, the  
24 department may, from the appropriation account under s. 20.435 (7) (b), make  
25 Medical Assistance payment adjustments to county departments under s. 46.215,

## BILL

1 46.22, 46.23, or 51.42, or 51.437 or to local health departments, as defined in s. 250.01  
 2 (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and  
 3 (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16. Payment  
 4 adjustments under this subsection shall include the state share of the payments.  
 5 The total of any payment adjustments under this subsection and Medical Assistance  
 6 payments made from appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w)  
 7 may not exceed applicable limitations on payments under 42 USC 1396a (a) (30) (A).

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

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

11 49.45 (53) ~~APPROPRIATE FUNDING~~ FOR CERTAIN SERVICES. Beginning on January 1,  
 12 2003, the department may, from the appropriation account under s. 20.435 (7) (b),  
 13 make Medical Assistance payments to providers for covered services under s. 49.46  
 14 (2) (a) d. and (b) 6. j. and m.

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

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

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

20 SECTION 25. Nonstatutory provisions.

21 (1) COMMUNITY AIDS FUNDING DECREASE. Notwithstanding section 16.42 (1) (e)  
 22 of the statutes, in submitting information under section 16.42 of the statutes for  
 23 purposes of the 2005-07 biennial budget bill, the department of health and family  
 24 services shall submit information concerning the appropriation under section 20.435

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1 (7) (b) of the statutes as though the decrease in the dollar amount of that  
2 appropriation by SECTION 26 (1) of this act had not been made.

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

(a) 3.

9 (3) PAYMENTS TO LOCAL HEALTH DEPARTMENTS. From the appropriation account  
10 under section 20.435 (7) (b) of the statutes, as affected by this act, in state fiscal year  
11 2004-05 the department of health and family services may make payments to local  
12 health departments, as defined under s. 250.01 (4) of the statutes. Payment under  
13 this subsection to a local health department may not exceed on an annualized basis  
14 payment made by the department of health and family services to the local health  
15 department under section 49.45 (6t) of the statutes for services provided by the local  
16 health department in 2002.

Such

**SECTION 26. Appropriation changes.**

17 (1) COMMUNITY AIDS PROGRAM DECREASE. In the schedule under section 20.005  
18 (3) of the statutes for the appropriation to the department of health and family  
19 services under section 20.435 (7) (b) of the statutes, as affected by the acts of 2003,  
20 the dollar amount is decreased by ~~\$12,908,100 for fiscal year 2003-04 and the dollar~~  
21 ~~amount is decreased by \$10,438,200~~ for fiscal year 2004-05 for the purposes for  
22 which the appropriation is made.  
23

24 (2) MEDICAL ASSISTANCE PROGRAM INCREASE. In the schedule under section  
25 20.005 (3) of the statutes for the appropriation to the department of health and family

\$51,519,800



**BILL**

\$51,519,800

1 services under section 20.435 (4) (b) of the statutes, as affected by the acts of 2003,  
2 the dollar amount is increased by ~~\$17,906,100 for fiscal year 2003-04 and the dollar~~  
3 ~~amount is increased by \$10,435,400~~ for fiscal year 2004-05 for the purposes for which  
4 the appropriation is made.

5 (3) MEDICAL ASSISTANCE TRUST FUND. In the schedule under section 20.005 (3)  
6 of the statutes for the appropriation to the department of health and family services  
7 under section 20.435 (4) (w) of the statutes, as affected by the acts of 2003, the dollar  
8 amount is decreased by \$17,000,000 for fiscal year 2004-05 to for the purposes for  
9 which the appropriation is made.

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

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

18 (2) COMMUNITY SERVICES DEFICIT REDUCTION BENEFIT. The amendment of section  
19 20.435 (4) (w) (by SECTION 4) of the statutes and the repeal of section 49.45 (6tu) of  
20 the statutes take effect on January 1, 2007.

21

(END)

INSERT AX

noFF The bill also requires DHFS to submit  
program and financial information to the  
Department of Administration and the  
Legislative Fiscal Bureau for the 2005-07  
biennial budget bill as if the increase  
and decrease had not been made.

## Kennedy, Debora

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**From:** Blaine, Robert  
**Sent:** Thursday, April 01, 2004 12:52 PM  
**To:** Kennedy, Debora  
**Subject:** FW: LRB 4472 -- MA & Community Aids

**Importance:** High

Per my voice mail -- I didn't see the section requested below included in the /3. We would like a redraft that includes such a contingency provision.

Other than this one item, the draft looks great. Thanks for your help.  
Robert

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

**From:** Blaine, Robert  
**Sent:** Monday, March 22, 2004 11:31 AM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** RE: LRB 4472 -- MA & Community Aids

Debora -- one more thing. Could you add another provision, which makes these changes effective upon approval of our state plan amendments by the federal government? You may recall we did a similar thing in the budget bill with the repeal of CSDRB (i.e., effective only if we got federal approval of our state plan).

Thanks,  
Robert

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

**From:** Blaine, Robert  
**Sent:** Monday, March 22, 2004 9:19 AM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** RE: LRB 4472 -- MA & Community Aids

Hi Debora --

Welcome back. I hope you had a nice vacation.

I did have one correction to my instructions below. See change number (5). At the end, I said to create a new paragraph reducing 4(w) by \$51.5 mn. Please ignore this instruction. No new paragraph is needed at this time.

Thanks,  
Robert

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

**From:** Blaine, Robert  
**Sent:** Friday, March 12, 2004 4:23 PM  
**To:** Kennedy, Debora  
**Cc:** Bove, Fredi-Ellen; Johnston, James; Forsaith, Andrew  
**Subject:** LRB 4472 -- MA & Community Aids

Debora --

I wanted to go ahead and send this over, though I realize you may not have time to deal with it given your vacation next week. As we discussed, it's highly unlikely this will go anywhere in the next week or two, so I do think we have some time.

As I mentioned yesterday, we were considering an option to allow transfers between appropriations s. 20.435(7)(b) and (4)(b), within a limitation. We would like /3 of this draft to reflect such a modification. Another broad change is that there won't be a FY04 fiscal effect; it will all occur in FY05. Specific changes would include:

- 1) Section 5: permit the transfer of authority to appropriation (4)(b) in an amount not to exceed \$51,519,800 in fiscal year 2004-05.
- 2) Section 6: would need to be modified to reflect the changes in Section 5.
- 3) Question: would changes to 4(b) be needed as well? If so, we would request language that permits 4(b) to receive authority from 7(b) in amounts equal to those specified above. This new section would also need to be double drafted, since it would be repealed next biennium.
- 4) Section 25: paragraph (1) should be deleted, and paragraphs (2) and (3) should be renumbered to (1) & (2).
- 5) Section 26: paragraphs (1) and (2) as they currently exist would need to be deleted. We would need a new paragraph to reduce the MA Trust Fund appropriation 20.435 (4)(w) in an amount equal to \$51,519,800 in fiscal year 2004-05.

Thanks,

**Robert Blaine**

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

**Kennedy, Debora**

**From:** Blaine, Robert  
**Sent:** Thursday, April 01, 2004 4:16 PM  
**To:** Kennedy, Debora  
**Subject:** RE: contingency provision

Debora -- I think this is perfect. My only suggestion is that I don't think it is necessary to specify that we receive federal approval "in writing." I realize you added this at my prompting, and though it is true, I don't think it is necessary to specify this. That is, I wouldn't consider the state plan formally approved in anything other than a written communication.

Thank you so much!  
Robert

*From Robert Blaine: ok to keep "in writing"*

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

**From:** Kennedy, Debora  
**Sent:** Thursday, April 01, 2004 4:14 PM  
**To:** Blaine, Robert  
**Subject:** RE: contingency provision

*on any date*

*whichever is earlier*

Okay, Robert. After numerous consultations, this is my proposal: A nonstat provision that says:

- (1) If an amendment to the state medical assistance plan that provides for a revised payment methodology for medical assistance services that are provided by a local government under section 49.45 (52) of the statutes, as created by this act, is not approved in writing by the federal center for medicare and medicaid services by ~~the earlier of~~ July 1, 2005, or if the amendment is disapproved ~~before that date~~, all of the following apply:
- (a) This act, except for this subsection, is void.
  - (b) The secretary of administration shall notify the revisor of statutes concerning the lack of approval or disapproval.

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

**From:** Blaine, Robert  
**Sent:** Thursday, April 01, 2004 2:54 PM  
**To:** Kennedy, Debora  
**Subject:** contingency provision

Debora -- per my latest voicemail, our preference would be to have a nonstat provision making all of the sections of the bill contingent upon federal approval. We feel it would be easier for us to justify and explain the bill if we made all of it contingent upon federal approval, rather than just some sections. Thanks for bringing this to my attention.

**Robert Blaine**

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