

## 2005 ASSEMBLY BILL 802

1     **AN ACT** *to amend* 20.435 (4) (wm), 49.45 (6m) (ag) (intro.) and 49.45 (6u) (am)  
2           (intro.); and *to create* 49.45 (6u) (b) of the statutes; **relating to:** supplemental  
3           Medical Assistance payments to county and municipal nursing homes and  
4           making an appropriation.

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*Analysis by the Legislative Reference Bureau*

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

5           **SECTION 1.** 20.435 (4) (wm) of the statutes is amended to read:  
6           20.435 **(4)** (wm) *Medical assistance trust fund; nursing homes.* From the  
7           medical assistance trust fund, ~~the amounts appropriated for meeting medical~~  
8           ~~assistance reimbursement under s. 49.45 (6m) and (6u) a sum sufficient to equal the~~  
9           amount of federal medical assistance moneys received as matching funds to  
10          operating deficits incurred by nursing homes owned or operated by counties, cities,

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1 villages, or towns that was not anticipated and budgeted as revenue in the biennial  
2 budget act for the fiscal year in which it is received, for the purpose of disbursing to  
3 nursing homes under s. 49.45 (6u) (b).

4 **SECTION 2.** 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

5 49.45 **(6m)** (ag) (intro.) Payment for care provided in a facility under this  
6 subsection made under s. 20.435 (4) (b), (gp), (pa), (o), or (w), ~~or (wm)~~ shall, except  
7 as provided in pars. (bg), (bm), and (br), be determined according to a prospective  
8 payment system updated annually by the department. The payment system shall  
9 implement standards that are necessary and proper for providing patient care and  
10 that meet quality and safety standards established under subch. II of ch. 50 and ch.  
11 150. The payment system shall reflect all of the following:

12 **SECTION 3.** 49.45 (6u) (am) (intro.) of the statutes is amended to read:

13 49.45 **(6u)** (am) (intro.) Notwithstanding sub. (6m), from the appropriations  
14 under s. 20.435 (4) (o), and (w), ~~and (wm)~~, for reduction of operating deficits, as  
15 defined under the methodology used by the department in December 2000, incurred  
16 by a facility that is established under s. 49.70 (1) or that is owned and operated by  
17 a city, village, or town, and as payment to care management organizations, the  
18 department may not distribute to these facilities and to care management  
19 organizations more than \$37,100,000 in each fiscal year, as determined by the  
20 department. The total amount that a county certifies under this subsection may not  
21 exceed 100% of otherwise-unreimbursed care. In distributing funds under this  
22 subsection, the department shall perform all of the following:

23 **SECTION 4.** 49.45 (6u) (b) of the statutes is created to read:

24 49.45 **(6u)** (b) Notwithstanding the limitation on the amount of disbursements  
25 under par. (am) (intro.), from the appropriation under s. 20.435 (4) (wm), the

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1 department shall, using the criteria specified in par. (am) 1. to 7., disburse any  
2 federal medical assistance funds that are received by the state as matching funds to  
3 operating deficits incurred by a facility that is operated by a county, city, village, or  
4 town and that are in excess of the amount of match anticipated and budgeted as  
5 revenue in the biennial budget act for the fiscal year in which the funds are received.

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**(END)**