



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2005 Wisconsin Act 301
[2005 Senate Bill 547]

**Labor Regions for Medical
Assistance Reimbursement**

Under the state's Medical Assistance (MA) program, the Department of Health and Family Services (DHFS) is required to establish standards for payment of allowable direct care costs in nursing homes that are adjusted for regional labor cost variations. DHFS implements this provision by establishing a statewide direct care services base maximum payment and adjusts this maximum by a corresponding labor factor. Labor factors are calculated for each standard metropolitan area and a single factor is applied for all rural counties.

2005 Wisconsin Act 301 provides that Dane, Iowa, Columbia, and Sauk Counties must be treated as one labor region for the purposes of establishing the standards for payment of allowable direct care costs in nursing homes in those counties.

Effective Date: Act 301 takes effect on April 21, 2006.

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LR:tlu

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.state.wi.us/>.