

## 2007 ASSEMBLY BILL 509

September 20, 2007 – Introduced by Representatives ALBERS, GRONEMUS, MUSSER, A. OTT and HAHN, cosponsored by Senators SCHULTZ and LEIBHAM. Referred to Committee on Health and Healthcare Reform.

1 **AN ACT to amend** 20.435 (7) (da), 51.42 (3) (as) 1., 51.42 (3) (as) 1m. and 51.42  
2 (3) (as) 3. of the statutes; **relating to:** reducing reimbursement by county  
3 departments of community programs for inpatient facility care and services for  
4 mentally ill county residents and making an appropriation.

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### *Analysis by the Legislative Reference Bureau*

Under current law, a county department of community programs must reimburse a state, local, or private facility for the actual cost of all authorized care and services that are provided to mentally ill, developmentally disabled, alcoholic, or other drug dependent residents of the county, less fee collections made from patients.

This bill changes the inpatient facility reimbursement requirement, beginning on January 1, 2008, to require that a county department of community programs reimburse 50 percent, rather than all, of care and services provided to mentally ill county residents in inpatient facilities, less applicable collections. The bill provides a sum sufficient appropriation of general purpose revenue for the Department of Health and Family Services to pay the remaining 50 percent of the cost.

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:***

**ASSEMBLY BILL 509****SECTION 1**

1           **SECTION 1.** 20.435 (7) (da) of the statutes is amended to read:

2           20.435 (7) (da) *Reimbursements to local units of government.* A sum sufficient  
3 for the cost of care as provided in s. 51.22 (3) and for 50 percent of the cost of  
4 authorized care and services of mentally ill patients in inpatient facilities, as  
5 provided in s. 51.42 (3) (as) 1., 1m., and 3.

6           **SECTION 2.** 51.42 (3) (as) 1. of the statutes is amended to read:

7           51.42 (3) (as) 1. A county department of community programs shall authorize  
8 all care of any patient in a state, local or private facility under a contractual  
9 agreement between the county department of community programs and the facility,  
10 unless the county department of community programs governs the facility. The need  
11 for inpatient care shall be determined by the program director or designee in  
12 consultation with and upon the recommendation of a licensed physician trained in  
13 psychiatry and employed by the county department of community programs or its  
14 contract agency. In cases of emergency, a facility under contract with any county  
15 department of community programs shall charge the county department of  
16 community programs having jurisdiction in the county where the patient is found.  
17 The county department of community programs shall reimburse the facility for the  
18 actual cost of all authorized care and services for developmentally disabled,  
19 alcoholic, and other drug dependent patients and for 50 percent of all authorized care  
20 and services for mentally ill patients, less applicable collections under s. 46.036 46.03  
21 (18), unless the department of health and family services determines that a charge  
22 is administratively infeasible, or unless the department of health and family  
23 services, after individual review, determines that the charge is not attributable to the  
24 cost of basic care and services. From the appropriation under s. 20.435 (7) (da), the  
25 department of health and family services shall reimburse the facility for the

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1 remaining 50 percent of all authorized care and services for mentally ill patients.

2 Except as provided in subd. 1m., a county department of community programs may  
3 not reimburse any state institution or receive credit for collections for care received  
4 therein by nonresidents of this state, interstate compact clients, transfers under s.  
5 51.35 (3), and transfers from Wisconsin state prisons under s. 51.37 (5) (a),  
6 commitments under s. 975.01, 1977 stats., or s. 975.02, 1977 stats., or s. 971.14,  
7 971.17 or 975.06 or admissions under s. 975.17, 1977 stats., or children placed in the  
8 guardianship of the department of health and family services under s. 48.427 or  
9 48.43 or under the supervision of the department of corrections under s. 938.183 or  
10 938.355. The exclusionary provisions of s. 46.03 (18) do not apply to direct and  
11 indirect costs which are attributable to care and treatment of the client.

12 **SECTION 3.** 51.42 (3) (as) 1m. of the statutes is amended to read:

13 51.42 (3) (as) 1m. A county department of community programs shall  
14 reimburse a mental health institute at 50 percent and, from the appropriation  
15 account under s. 20.437 (7) (da), the department of health and family services shall  
16 reimburse a mental health institute at 50 percent, of the institute's daily rate for  
17 custody of any person who is ordered by a court located in that county to be examined  
18 at the mental health institute under s. 971.14 (2) for all days that the person remains  
19 in custody at the mental health institute, beginning 48 hours, not including  
20 Saturdays, Sundays, and legal holidays, after the sheriff and county department  
21 receive notice under s. 971.14 (2) (d) that the examination has been completed.

22 **SECTION 4.** 51.42 (3) (as) 3. of the statutes is amended to read:

23 51.42 (3) (as) 3. ~~Care~~ Fifty percent of care, services and supplies provided after  
24 December 31, 1973, to any person who, on December 31, 1973, was in or under the  
25 supervision of a mental health institute, or was receiving mental health services in

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1 a facility authorized by s. 51.08 or 51.09, but was not admitted to a mental health  
2 institute by the department of health and family services, shall be charged to the  
3 county department of community programs which was responsible for such care and  
4 services at the place where the patient resided when admitted to the institution, and  
5 50 percent of such care, services, and supplies shall be charged to the department of  
6 health and family services for payment from the appropriation account under s.  
7 20.435 (7) (da). The department of health and family services may bill county  
8 departments of community programs for care provided at the mental health  
9 institutes at rates which the department of health and family services sets on a  
10 flexible basis, except that this flexible rate structure shall cover the cost of operations  
11 of the mental health institutes.

**SECTION 5. Effective date.**

(1) This act takes effect on January 1, 2008.

(END)