

1 *-1261/5.534* SECTION 1457. 49.177 of the statutes, as created by 2007
2 Wisconsin Act ... (this act), is amended to read:

3 **49.177 Boys and Girls Clubs programs in 1st class cities.** From the
4 appropriation account under s. 20.445 (3) 20.437 (2) (kb), the department shall
5 provide grants to the Boys and Girls Clubs of Greater Milwaukee to fund programs
6 that improve the social, academic, and employment skills of youths who reside in 1st
7 class cities.

 ****NOTE: This is reconciled s. 49.177. This SECTION has been affected by drafts
 with the following LRB numbers: -1261 and -1676.

8 *-1261/5.535* *-1261/P3.458* SECTION 1458. 49.19 (1) (a) 2. b. of the statutes
9 is amended to read:

10 **49.19 (1) (a) 2. b.** Is living in a foster home or treatment foster home licensed
11 under s. 48.62 if a license is required under that section, in a foster home or treatment
12 foster home located within the boundaries of a federally recognized American Indian
13 reservation in this state and licensed by the tribal governing body of the reservation,
14 in a group home licensed under s. 48.625, or in a residential care center for children
15 and youth licensed under s. 48.60, and has been placed in the foster home, treatment
16 foster home, group home, or center by a county department under s. 46.215, 46.22,
17 or 46.23, by the department of health and family services, by the department of
18 corrections, or by a federally recognized American Indian tribal governing body in
19 this state under an agreement with a county department.

20 *-1261/5.536* *-1261/P3.459* SECTION 1459. 49.19 (10) (a) of the statutes is
21 amended to read:

22 **49.19 (10) (a)** Aid under this section may also be granted to a nonrelative who
23 cares for a child dependent upon the public for proper support in a foster home or

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1 treatment foster home having a license under s. 48.62, in a foster home or treatment
2 foster home located within the boundaries of a federally recognized American Indian
3 reservation in this state and licensed by the tribal governing body of the reservation
4 or in a group home licensed under s. 48.625, regardless of the cause or prospective
5 period of dependency. The state shall reimburse counties pursuant to the procedure
6 under s. ~~46.495~~ 48.569 (2) and the percentage rate of participation set forth in s.
7 ~~46.495~~ 48.569 (1) (d) for aid granted under this subsection except that if the child does
8 not have legal settlement in the granting county, state reimbursement shall be at
9 100%. The county department under s. 46.215 or 46.22 shall determine the legal
10 settlement of the child. A child under one year of age shall be eligible for aid under
11 this subsection irrespective of any other residence requirement for eligibility within
12 this section.

13 *~~-1261/5.537~~* *~~-1261/P3.460~~* SECTION 1460. 49.19 (10) (d) of the statutes is
14 amended to read:

15 49.19 (10) (d) Aid may also be paid under this section to a licensed foster home,
16 treatment foster home, group home, or residential care center for children and youth
17 by the state when the child is in the custody or guardianship of the state, when the
18 child is a ward of an American Indian tribal court in this state and the placement is
19 made under an agreement between the department and the tribal governing body,
20 or when the child was part of the state's direct service case load and was removed
21 from the home of a relative specified in sub. (1) (a) as a result of a judicial
22 determination that continuance in the home of a relative would be contrary to the
23 child's welfare for any reason and the child is placed by the department of health and
24 family services or the department of corrections.

1 ***-1261/5.538* *-1267/P1.114* SECTION 1461.** 49.19 (11) (a) 1. a. of the statutes
2 is amended to read:

3 49.19 (11) (a) 1. a. Except as provided in subs. (11m) and (11s), monthly
4 payments made under s. ~~20.445 (3)~~ 20.437 (2) (dz) and (md) to persons or to families
5 with dependent children shall be based on family size and shall be at 80% of the total
6 of the allowances under subs. 2. and 4. plus the following standards of assistance
7 beginning on September 1, 1987:

Figure 49.19 (11) (a) 1. a.:

<u>FAMILY SIZE</u>	<u>AREA I</u>	<u>AREA II</u>
1	\$ 311	\$ 301
2	550	533
3	647	626
4	772	749
5	886	861
6	958	929
7	1,037	1,007
8	1,099	1,068
9	1,151	1,117
10	1,179	1,143

8 ***-1261/5.539* *-1267/P1.115* SECTION 1462.** 49.19 (11s) (d) of the statutes is
9 amended to read:

10 49.19 (11s) (d) From the appropriation under s. ~~20.445 (3)~~ 20.437 (2) (a), the
11 department may award grants to county departments under ss. 46.215, 46.22 and
12 46.23 for providing education services relating to family planning, as defined in s.
13 253.07 (1) (a), to persons who are subject to par. (b).

14 ***-1261/5.540* *-1267/P1.116* SECTION 1463.** 49.195 (3r) of the statutes is
15 amended to read:

16 49.195 (3r) From the appropriation under s. ~~20.445 (3)~~ 20.437 (2) (L) the
17 department may contract with or employ a collection agency or other person to

1 enforce a repayment obligation of a person who is found liable under sub. (3) who is
2 delinquent in making repayments.

3 ***-1261/5.541*** ***-1267/P1.117*** **SECTION 1464.** 49.197 (1m) of the statutes is
4 amended to read:

5 49.197 (1m) FRAUD INVESTIGATION. From the appropriations under s. 20.445 (3)
6 20.437 (2) (dz), (kx), (L), (md), (n), and (nL), the department shall establish a program
7 to investigate suspected fraudulent activity on the part of recipients of aid to families
8 with dependent children under s. 49.19, on the part of participants in the Wisconsin
9 Works program under ss. 49.141 to 49.161, and, if the department of health and
10 family services contracts with the department under sub. (5), on the part of recipients
11 of medical assistance under subch. IV, food stamp benefits under the food stamp
12 program under 7 USC 2011 to 2036, supplemental security income payments under
13 s. 49.77, payments for the support of children of supplemental security income
14 recipients under s. 49.775, and health care benefits under the Badger Care health
15 care program under s. 49.665. The department's activities under this subsection may
16 include, but are not limited to, comparisons of information provided to the
17 department by an applicant and information provided by the applicant to other
18 federal, state, and local agencies, development of an advisory welfare investigation
19 prosecution standard, and provision of funds to county departments under ss.
20 46.215, 46.22, and 46.23 and to Wisconsin Works agencies to encourage activities to
21 detect fraud. The department shall cooperate with district attorneys regarding
22 fraud prosecutions.

23 ***-1261/5.542*** ***-1267/P1.118*** **SECTION 1465.** 49.197 (4) of the statutes is
24 amended to read:

1 49.197 (4) COUNTY AND TRIBAL ERROR REDUCTION. If the department of health and
2 family services contracts with the department under sub. (5), the department shall
3 provide funds from the appropriation under s. 20.445 (3) 20.437 (2) (kx) to counties
4 and governing bodies of federally recognized American Indian tribes administering
5 Medical Assistance under subch. IV, the food stamp program under 7 USC 2011 to
6 2036, the supplemental security income payments program under s. 49.77, the
7 program providing payments for the support of children of supplemental security
8 income recipients under s. 49.775, and the Badger Care health care program under
9 s. 49.665 to offset administrative costs of reducing payment errors in those programs.

10 ***-0905/3.23* SECTION 1466.** 49.22 (2m) (a) of the statutes is amended to read:
11 49.22 (2m) (a) The department may request from any person in this state
12 information it determines appropriate and necessary for the administration of this
13 section, ss. 49.141 to 49.161, 49.19, 49.46, 49.468 and, 49.47, and 49.471 and
14 programs carrying out the purposes of 7 USC 2011 to 2029. Unless access to the
15 information is prohibited or restricted by law, or unless the person has good cause,
16 as determined by the department in accordance with federal law and regulations, for
17 refusing to cooperate, the person shall make a good faith effort to provide this
18 information within 7 days after receiving a request under this paragraph. Except
19 as provided in subs. (2p) and (2r) and subject to sub. (12), the department or the
20 county child support agency under s. 59.53 (5) may disclose information obtained
21 under this paragraph only in the administration of this section, ss. 49.141 to 49.161,
22 49.19, 49.46 and, 49.47, and 49.471 and programs carrying out the purposes of 7 USC
23 2011 to 2029. Employees of the department or a county child support agency under
24 s. 59.53 (5) are subject to s. 49.83.

25 ***-0905/3.24* SECTION 1467.** 49.22 (2m) (b) of the statutes is amended to read:

1 49.22 (2m) (b) The department or county child support agency under s. 59.53
2 (5) may issue a subpoena, in substantially the form authorized under s. 885.02, to
3 compel the production of financial information and other documentary evidence in
4 the administration of this section, ss. 49.145, 49.19, 49.46 and, 49.47, and 49.471 and
5 programs carrying out the purposes of 7 USC 2011 to 2029.

6 ***-0905/3.25* SECTION 1468.** 49.22 (2m) (c) 3. of the statutes is amended to
7 read:

8 49.22 (2m) (c) 3. Any other action taken in good faith to comply with this section
9 or a subpoena described in par. (bc) or to comply with a request for information or
10 access to records from the department or a county child support agency under s. 59.53
11 (5) in the administration of this section, ss. 49.145, 49.19, 49.46 and, 49.47, and
12 49.471 and programs carrying out the purposes of 7 USC 2011 to 2029.

13 ***-1261/5.543* *-1261/P3.462* SECTION 1469.** 49.22 (6) of the statutes is
14 amended to read:

15 49.22 (6) The department shall establish, pursuant to federal and state laws,
16 rules and regulations, a uniform system of fees for services provided under this
17 section to individuals not receiving aid under s. ~~46.261~~ 48.645, 49.19, or 49.47;
18 benefits under s. 49.148, 49.155, or 49.79; foster care maintenance payments under
19 42 USC 670 to 679a; or kinship care payments under s. 48.57 (3m) or long-term
20 kinship care payments under s. 48.57 (3n). The system of fees may take into account
21 an individual's ability to pay. Any fee paid and collected under this subsection may
22 be retained by the county providing the service except for the fee specified in 42 USC
23 653 (e) (2) for federal parent locator services.

24 ***-0905/3.26* SECTION 1470.** 49.22 (6) of the statutes, as affected by 2007
25 Wisconsin Act ... (this act), is amended to read:

1 49.22 (6) The department shall establish, pursuant to federal and state laws,
2 rules and regulations, a uniform system of fees for services provided under this
3 section to individuals not receiving aid under s. 48.645, 49.19 or, 49.47, or 49.471;
4 benefits under s. 49.148, 49.155, or 49.79; foster care maintenance payments under
5 42 USC 670 to 679a; or kinship care payments under s. 48.57 (3m) or long-term
6 kinship care payments under s. 48.57 (3n). The system of fees may take into account
7 an individual's ability to pay. Any fee paid and collected under this subsection may
8 be retained by the county providing the service except for the fee specified in 42 USC
9 653 (e) (2) for federal parent locator services.

****NOTE: This is reconciled s. 49.22 (6). This SECTION has been affected by drafts
with the following LRB numbers: LRB-0905 and LRB-1261.

10 *-1261/5.544* *-1267/P1.119* **SECTION 1471.** 49.22 (7) of the statutes is
11 amended to read:

12 49.22 (7) The department may represent the state in any action to establish
13 paternity or to establish or enforce a support or maintenance obligation. The
14 department may delegate its authority to represent the state in any action to
15 establish paternity or to establish or enforce a support or maintenance obligation
16 under this section to an attorney responsible for support enforcement under s. 59.53
17 (6) (a) pursuant to a contract entered into under s. 59.53 (5). The department shall
18 ensure that any such contract is for an amount reasonable and necessary to assure
19 quality service. The department may, by such a contract, authorize a county to
20 contract with any attorney, collection agency or other person to collect unpaid child
21 support or maintenance. If a county fails to fully implement the programs under s.
22 59.53 (5), the department may implement them and may contract with any
23 appropriate person to obtain necessary services. The department shall establish a

1 formula for disbursing funds appropriated under s. ~~20.445 (3)~~ 20.437 (2) (md) to carry
2 out a contract under this subsection.

3 ***-1523/3.3* SECTION 1472.** 49.24 (1) of the statutes is amended to read:

4 49.24 (1) From the appropriation under s. 20.445 (3) ~~(k)~~ (b), the department
5 shall provide child support incentive payments to counties. Total payments In fiscal
6 year 2007-08, amounts allocated by the department under this subsection may not
7 exceed \$2,750,000, plus any amounts not obligated in the prior fiscal year. Beginning
8 with fiscal year 2008-09, amounts allocated under this subsection may not exceed
9 \$5,690,000 \$5,500,000 per fiscal year, plus any amounts not obligated in the prior
10 fiscal year.

11 ***-1261/5.545* *-1267/P1.120* SECTION 1473.** 49.24 (1) of the statutes, as
12 affected by 2007 Wisconsin Act (this act), is amended to read:

13 49.24 (1) From the appropriation under s. ~~20.445 (3)~~ 20.437 (2) (b), the
14 department shall provide child support incentive payments to counties. In fiscal
15 year 2007-08, amounts allocated by the department under this subsection may not
16 exceed \$2,750,000, plus any amounts not obligated in the prior fiscal year. Beginning
17 with fiscal year 2008-09, amounts allocated under this subsection may not exceed
18 \$5,500,000 per fiscal year, plus any amounts not obligated in the prior fiscal year.

****NOTE: This is reconciled s. 49.24 (1). This SECTION has been affected by drafts
with the following LRB numbers: -1261 and -1523.

19 ***-1523/3.4* SECTION 1474.** 49.24 (2) (b) (intro.) of the statutes is amended to
20 read:

21 49.24 (2) (b) (intro.) Subject to the incentive payments limit specified in par.
22 (a), the department shall distribute to counties, in accordance with the formula
23 established under par. (a), all of the following:

1 *-1523/3.5* SECTION 1475. 49.24 (2) (d) of the statutes is repealed.

2 *-1261/5.546* *-1267/P1.121* SECTION 1476. 49.26 (1) (d) of the statutes is
3 amended to read:

4 49.26 (1) (d) A county department or Wisconsin ~~works~~ Works agency that
5 provides services under this subsection directly shall develop a plan, in coordination
6 with the school districts located in whole or in part in the county, describing the
7 assistance that the county department or Wisconsin ~~works~~ Works agency and school
8 districts will provide to individuals receiving services under this subsection, the
9 number of individuals that will be served and the estimated cost of the services. The
10 county department or Wisconsin ~~works~~ Works agency shall submit the plan to the
11 department of ~~workforce development~~ and the department of public instruction by
12 January 15, annually.

13 *-0486/1.2* SECTION 1477. 49.26 (1) (g) (intro.) of the statutes is amended to
14 read:

15 49.26 (1) (g) (intro.) An individual who is a dependent child in a Wisconsin
16 ~~works~~ Works group that includes a participant under s. 49.147 (3), (3m), (4), or (5)
17 or who is a recipient of aid under s. 49.19 is subject to the school attendance
18 requirement under par. (g) if all of the following apply:

19 *-0486/1.3* SECTION 1478. 49.26 (1) (h) 1s. b. of the statutes is amended to
20 read:

21 49.26 (1) (h) 1s. b. An individual who is a dependent child in a Wisconsin ~~works~~
22 Works group that includes a participant under s. 49.147 (3), (3m), (4), or (5) and who
23 fails to meet the school attendance requirement under par. (g) is subject to a
24 monthly sanction.

1 *-1261/5.547* *-1261/P3.463* SECTION 1479. 49.27 of the statutes is created
2 to read:

3 **49.27 Legal actions.** The department may sue and be sued.

4 *-1261/5.548* *-1261/P3.464* SECTION 1480. 49.273 of the statutes is created
5 to read:

6 **49.273 Research, investigations.** The secretary shall plan for and establish
7 within the department a program of research designed to determine the
8 effectiveness of the treatment, curative, and rehabilitative programs of the various
9 divisions of the department. The secretary may inquire into any matter affecting
10 children and families, hold hearings, subpoena witnesses and make
11 recommendations on those matters to the appropriate public or private agencies.

12 *-1261/5.549* *-1261/P3.465* SECTION 1481. 49.275 of the statutes is
13 amended to read:

14 **49.275 Cooperation with federal government.** The department may
15 cooperate with the federal government in carrying out federal acts concerning public
16 assistance under this subchapter and child welfare under ch. 48 and in other matters
17 of mutual concern under this subchapter pertaining to public welfare and under ch.
18 48 pertaining to child welfare.

19 *-1261/5.550* *-1261/P3.466* SECTION 1482. 49.32 (1) (a) of the statutes is
20 amended to read:

21 49.32 (1) (a) The Except as provided in s. 49.345 (14) (b) and (c), the department
22 shall establish a uniform system of fees for services provided or purchased under this
23 subchapter and ch. 48 by the department, or a county department under s. 46.215,
24 46.22, or 46.23, except as provided in s. 49.22 (6) and except where when, as
25 determined by the department, a fee is administratively unfeasible or would

1 significantly prevent accomplishing the purpose of the service. A county department
2 under s. 46.215, 46.22 or 46.23 shall apply the fees ~~which~~ that it collects under this
3 program to cover the cost of ~~such~~ those services.

4 ***-1261/5.551* *-1261/P3.467* SECTION 1483.** 49.32 (1) (am) of the statutes is
5 created to read:

6 49.32 (1) (am) Paragraph (a) does not prevent the department from charging
7 and collecting the cost of adoptive placement investigations and child care as
8 authorized under s. 48.837 (7).

9 ***-1261/5.552* *-1261/P3.468* SECTION 1484.** 49.32 (1) (b) of the statutes is
10 amended to read:

11 49.32 (1) (b) Any Except as provided in s. 49.345 (14) (b) and (c), any person
12 receiving services provided or purchased under par. (a) or the spouse of the person
13 and, in the case of a minor, the parents of the person, and, in the case of a foreign child
14 described in s. 48.839 (1) who became dependent on public funds for his or her
15 primary support before an order granting his or her adoption, the resident of this
16 state appointed guardian of the child by a foreign court who brought the child into
17 this state for the purpose of adoption, shall be liable for the services in the amount
18 of the fee established under par. (a).

19 ***-1261/5.553* *-1261/P3.469* SECTION 1485.** 49.32 (1) (c) of the statutes is
20 amended to read:

21 49.32 (1) (c) The department shall make collections from the person who in the
22 opinion of the department is best able to pay, giving due regard to the present needs
23 of the person or of his or her lawful dependents. The department may bring an action
24 in the name of the department to enforce the liability established under par. (b). This

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1 paragraph does not apply to the recovery of fees for the care and services specified
2 under s. 49.345.

3 *~~1261/5.554~~* *~~1261/P3.470~~* SECTION 1486. 49.32 (2) (d) of the statutes is
4 created to read:

5 49.32 (2) (d) The department shall disburse from state or federal funds or both
6 the entire amount and charge the county for its share under s. 48.569.

7 *~~1261/5.555~~* *~~1261/P3.471~~* SECTION 1487. 49.32 (9) (a) of the statutes is
8 amended to read:

9 49.32 (9) (a) Each county department under s. 46.215, 46.22, or 46.23
10 administering aid to families with dependent children shall maintain a monthly
11 report at its office showing the names of all persons receiving aid to families with
12 dependent children together with the amount paid during the preceding month.
13 Each Wisconsin works Works agency administering Wisconsin works Works under
14 ss. 49.141 to 49.161 shall maintain a monthly report at its office showing the names
15 of all persons receiving benefits under s. 49.148 together with the amount paid
16 during the preceding month. Nothing in this paragraph shall be construed to
17 authorize or require the disclosure in the report of any information (names, amounts
18 of aid or otherwise) pertaining to adoptions, or aid furnished for the care of children
19 in foster homes or treatment foster homes under s. ~~46.261~~ 48.645 or 49.19 (10).

20 *~~1261/5.556~~* *~~1267/P1.122~~* SECTION 1488. 49.32 (11) of the statutes is
21 renumbered 103.005 (21) and amended to read:

22 103.005 (21) ~~COMMUNITY ACTION AGENCIES~~. The department shall distribute all
23 of the funds under s. 20.445 (3) (1) (cr) to community action agencies and
24 organizations, including any of the 11 federally recognized tribal governing bodies
25 in this state and limited-purpose agencies, in proportion to the share of funds

1 actually allocated to these entities under 42 USC 1315 and from other federal and
2 private foundation sources that provide funds for job creation and development for
3 individuals with low incomes.

4 *-1261/5.557* *-1261/P3.472* SECTION 1489. 49.32 (11m) of the statutes is
5 created to read:

6 49.32 (11m) CONSOLIDATION OF ALLOCATED TRIBAL FUNDS. The department may
7 consolidate funds appropriated under s. 20.437 that are authorized or required to be
8 allocated to federally recognized American Indian tribes or bands into a single
9 distribution for each tribe or band in each fiscal year.

10 *-1261/5.558* *-1261/P3.473* SECTION 1490. 49.32 (12) of the statutes is
11 amended to read:

12 49.32 (12) ADMINISTRATIVE HEARINGS AND APPEALS. Any hearing under s. 227.42
13 granted by the department under this subchapter or ch. 48 may be conducted before
14 the division of hearings and appeals in the department of administration.

15 *-1261/5.559* *-1261/P3.474* SECTION 1491. 49.325 (1) (a) of the statutes is
16 amended to read:

17 49.325 (1) (a) Each county department under s. 46.215, 46.22, or 46.23 shall
18 submit its final budget for services directly provided or purchased under this
19 subchapter or ch. 48 to the department by December 31 annually.

20 *-1261/5.560* *-1261/P3.475* SECTION 1492. 49.325 (2) of the statutes is
21 amended to read:

22 49.325 (2) ASSESSMENT OF NEEDS. Before developing and submitting a proposed
23 budget for services directly provided or purchased under this subchapter or ch. 48
24 to the county executive or county administrator or the county board, the county

1 departments listed in sub. (1) shall assess needs and inventory resources and
2 services, using an open public participation process.

3 ***-1261/5.561*** ***-1261/P3.476*** **SECTION 1493.** 49.325 (2g) (a) of the statutes
4 is amended to read:

5 49.325 (2g) (a) The department shall annually submit to the county board of
6 supervisors in a county with a single-county department or the county boards of
7 supervisors in counties with a multicounty department a proposed written contract
8 containing the allocation of funds for services directly provided or purchased under
9 this subchapter or ch. 48 and such administrative requirements as necessary. The
10 contract as approved may contain conditions of participation consistent with federal
11 and state law. The contract may also include provisions necessary to ensure uniform
12 cost accounting of services. Any changes to the proposed contract shall be mutually
13 agreed upon. The county board of supervisors in a county with a single-county
14 department or the county boards of supervisors in counties with a multicounty
15 department shall approve the contract before January 1 of the year in which it takes
16 effect unless the department grants an extension. The county board of supervisors
17 in a county with a single-county department or the county boards of supervisors in
18 counties with a multicounty department may designate an agent to approve addenda
19 to any contract after the contract has been approved.

20 ***-1261/5.562*** ***-1261/P3.477*** **SECTION 1494.** 49.325 (2g) (c) of the statutes
21 is amended to read:

22 49.325 (2g) (c) The joint committee on finance may require the department to
23 submit contracts between county departments under ss. 46.215, 46.22, and 46.23
24 and providers of services under this subchapter or ch. 48 to the committee for review
25 and approval.

1 *-1261/5.563* *-1261/P3.478* SECTION 1495. 49.325 (2r) (a) 1. of the statutes
2 is amended to read:

3 49.325 (2r) (a) 1. For services under this subchapter which or ch. 48 that
4 duplicate or are inconsistent with services being provided or purchased by the
5 department or other county departments receiving grants-in-aid or reimbursement
6 from the department.

7 *-1261/5.564* *-1261/P3.479* SECTION 1496. 49.325 (2r) (a) 2. of the statutes
8 is amended to read:

9 49.325 (2r) (a) 2. Inconsistent with state or federal statutes, rules, or
10 regulations, in which case the department may also arrange for provision of services
11 under this subchapter or ch. 48 by an alternate agency. The department may not
12 arrange for provision of services by an alternate agency unless the joint committee
13 on finance or a review body designated by the committee reviews and approves the
14 department's determination.

15 *-1261/5.565* *-1261/P3.480* SECTION 1497. 49.325 (3) (a) of the statutes is
16 amended to read:

17 49.325 (3) (a) *Citizen advisory committee.* Except as provided in par. (b), the
18 county board of supervisors of each county or the county boards of supervisors of 2
19 or more counties jointly shall establish a citizen advisory committee to the county
20 departments under ss. 46.215, 46.22 and 46.23. The citizen advisory committee shall
21 advise in the formulation of the budget under sub. (1). Membership on the committee
22 shall be determined by the county board of supervisors in a county with a
23 single-county committee or by the county boards of supervisors in counties with a
24 multicounty committee and shall include representatives of those persons receiving
25 services, providers of services and citizens. A majority of the members of the

1 committee shall be citizens and consumers of services. At least one member of the
2 committee shall be chosen from the governing or administrative board of the
3 community action agency serving the county or counties under s. 49.265, if any. The
4 committee's membership may not consist of more than 25% county supervisors, nor
5 of more than 20% services providers. The chairperson of the committee shall be
6 appointed by the county board of supervisors establishing it. In the case of a
7 multicounty committee, the chairperson shall be nominated by the committee and
8 approved by the county boards of supervisors establishing it. The county board of
9 supervisors in a county with a single-county committee or the county boards of
10 supervisors in counties with a multicounty committee may designate an agent to
11 determine the membership of the committee and to appoint the committee
12 chairperson or approve the nominee.

13 *~~1261/5.566~~* *~~1261/P3.481~~* SECTION 1498. 49.34 (1) of the statutes is
14 amended to read:

15 49.34 (1) All services under this subchapter and ch. 48 purchased by the
16 department or by a county department under s. 46.215, 46.22, or 46.23 shall be
17 authorized and contracted for under the standards established under this section.
18 The department may require the county departments to submit the contracts to the
19 department for review and approval. For purchases of \$10,000 or less the
20 requirement for a written contract may be waived by the department. No contract
21 is required for care provided by foster homes or treatment foster homes that are
22 required to be licensed under s. 48.62. When the department directly contracts for
23 services, it shall follow the procedures in this section in addition to meeting
24 purchasing requirements established in s. 16.75.

1 *-1261/5.567* *-1261/P3.482* SECTION 1499. 49.34 (2) of the statutes is
2 amended to read:

3 49.34 (2) All services purchased under this subchapter and ch. 48 shall meet
4 standards established by the department and other requirements specified by the
5 purchaser in the contract. Based on these standards the department shall establish
6 standards for cost accounting and management information systems that shall
7 monitor the utilization of the services, and document the specific services in meeting
8 the service plan for the client and the objective of the service.

9 *-1261/5.568* *-1261/P3.483* SECTION 1500. 49.34 (4) (a) of the statutes is
10 amended to read:

11 49.34 (4) (a) Except as provided in this subsection, maintain a uniform double
12 entry accounting system and a management information system which are
13 compatible with cost accounting and control systems prescribed by the department.
14 The department shall establish a simplified double-entry bookkeeping system for
15 use by family-operated group homes. Each purchaser shall determine whether a
16 family-operated group home from which it purchases services shall use the
17 double-entry accounting system or the simplified system and shall include this
18 determination in the purchase of service contract. In this paragraph,
19 “family-operated group home” means a group home licensed under s. 48.66 (1) (a) for
20 which the licensee is one or more individuals who operate not more than one group
21 home.

22 *-1261/5.569* *-1261/P3.484* SECTION 1501. 49.34 (4) (c) of the statutes is
23 amended to read:

24 49.34 (4) (c) Unless waived by the department, biennially, or annually if
25 required under federal law, provide the purchaser with a certified financial and

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1 compliance audit report if the care and services purchased exceed \$25,000. The audit
2 shall follow standards that the department prescribes. A purchaser may waive the
3 requirements of this paragraph for any family-operated group home, as defined in
4 par. (a), from which it purchases services.

5 ***-1261/5.570* *-1261/P3.485* SECTION 1502.** 49.34 (5m) (a) 1. of the statutes
6 is amended to read:

7 49.34 (5m) (a) 1. "Provider" means a nonstock corporation organized under ch.
8 181 that is a nonprofit corporation, as defined in s. 181.0103 (17), and that contracts
9 under this section to provide client services on the basis of a unit rate per client
10 service or a county department under s. 46.215, 46.22, 46.23, 51.42, or 51.437 that
11 contracts under this section to provide client services on the basis of a unit rate per
12 client service.

13 ***-1261/5.571* *-1261/P3.486* SECTION 1503.** 49.34 (5m) (b) 1. of the statutes
14 is amended to read:

15 49.34 (5m) (b) 1. Subject to subds. 2. and 3. and par. (em), if revenue under a
16 contract for the provision of a rate-based service exceeds allowable costs incurred in
17 the contract period, the provider may retain from the surplus generated by that
18 rate-based service up to 5% of the contract amount. A provider that retains a surplus
19 under this subdivision shall use that retained surplus to cover a deficit between
20 revenue and allowable costs incurred in any preceding or future contract period for
21 the same rate-based service that generated the surplus or to address the
22 programmatic needs of clients served by the same rate-based service that generated
23 the surplus.

24 ***-1261/5.572* *-1261/P3.487* SECTION 1504.** 49.34 (5m) (b) 2. of the statutes
25 is amended to read:

1 49.34 (5m) (b) 2. Subject to subd. 3. and par. (em), a provider may accumulate
2 funds from more than one contract period under this paragraph, except that, if at the
3 end of a contract period the amount accumulated from all contract periods for a
4 rate-based service exceeds 10% of the amount of all current contracts for that
5 rate-based service, the provider shall, at the request of a purchaser, return to that
6 purchaser the purchaser's proportional share of that excess and use any of that
7 excess that is not returned to a purchaser to reduce the provider's unit rate per client
8 for that rate-based service in the next contract period. If a provider has held for 4
9 consecutive contract periods an accumulated reserve for a rate-based service that
10 is equal to or exceeds 10% of the amount of all current contracts for that rate-based
11 service, the provider shall apply 50% of that accumulated amount to reducing its unit
12 rate per client for that rate-based service in the next contract period.

13 *-1261/5.573* *-1261/P3.488* SECTION 1505. 49.34 (5m) (em) of the statutes
14 is created to read:

15 49.34 (5m) (em) Notwithstanding par. (b) 1. and 2., a county department under
16 s. 46.215, 51.42, or 51.437 providing client services in a county having a population
17 of 500,000 or more or a nonstock, nonprofit corporation providing client services in
18 such a county may not retain a surplus under par. (b) 1. or accumulate funds under
19 par. (b) 2. from revenues that are used to meet the maintenance-of-effort
20 requirement under the federal temporary assistance for needy families program
21 under 42 USC 601 to 619.

22 *-1261/5.574* *-1261/P3.489* SECTION 1506. 49.345 of the statutes is created
23 to read:

24 49.345 Cost of care and maintenance; liability; collection and
25 deportation counsel; collections; court actions; recovery. (1) Liability and

1 the collection and enforcement of such liability for the care, maintenance, services,
2 and supplies specified in this section are governed exclusively by this section, except
3 in cases of child support ordered by a court under s. 48.355 (2) (b) 4., 48.357 (5m) (a),
4 or 48.363 (2) or ch. 767.

5 (2) Except as provided in sub. (14) (b) and (c), any person, including but not
6 limited to a person placed under s. 48.345 (3) or 48.357 (1) or (2m), receiving care,
7 maintenance, services, and supplies provided by any institution in this state, in
8 which the state is chargeable with all or part of the person's care, maintenance,
9 services, and supplies, and the person's property and estate, including the
10 homestead, and the spouse of the person, and the spouse's property and estate,
11 including the homestead, and, in the case of a minor child, the parents of the person,
12 and their property and estates, including their homestead, and, in the case of a
13 foreign child described in s. 48.839 (1) who became dependent on public funds for his
14 or her primary support before an order granting his or her adoption, the resident of
15 this state appointed guardian of the child by a foreign court who brought the child
16 into this state for the purpose of adoption, and his or her property and estate,
17 including his or her homestead, shall be liable for the cost of the care, maintenance,
18 services, and supplies in accordance with the fee schedule established by the
19 department under s. 49.32 (1). If a spouse, widow, or minor, or an incapacitated
20 person may be lawfully dependent upon the property for his or her support, the court
21 shall release all or such part of the property and estate from the charges that may
22 be necessary to provide for the person. The department shall make every reasonable
23 effort to notify the liable persons as soon as possible after the beginning of the
24 maintenance, but the notice or the receipt thereof is not a condition of liability.

1 (3) After investigation of the liable persons' ability to pay, the department shall
2 make collection from the person who in the opinion of the department under all of
3 the circumstances is best able to pay, giving due regard to relationship and the
4 present needs of the person or of the lawful dependents. However, the liability of
5 relatives for maintenance shall be in the following order: first, the spouse of the
6 person; then, in the case of a minor, the parent or parents.

7 (4) (a) If a person liable under sub. (2) fails to make payment or enter into or
8 comply with an agreement for payment, the department may bring an action to
9 enforce the liability or may issue an order to compel payment of the liability. Any
10 person aggrieved by an order issued by the department under this paragraph may
11 appeal the order as a contested case under ch. 227 by filing with the department a
12 request for a hearing within 30 days after the date of the order.

13 (b) If judgment is rendered in an action brought under par. (a) for any balance
14 that is 90 or more days past due, interest at the rate of 12 percent per year shall be
15 computed by the clerk and added to the liable person's costs. That interest shall
16 begin on the date on which payment was due and shall end on the day before the date
17 of any interest that is computed under s. 814.04 (4).

18 (c) If the department issues an order to compel payment under par. (a), interest
19 at the rate of 12 percent per year shall be computed by the department and added
20 at the time of payment to the person's liability. That interest shall begin on the date
21 on which payment was due and shall end on the day before the date of final payment.

22 (5) If any person named in an order to compel payment issued under sub. (4)
23 (a) fails to pay the department any amount due under the terms of the order, and no
24 contested case to review the order is pending, and the time for filing for a contested
25 case review has expired, the department may present a certified copy of the order to

1 the circuit court for any county. The circuit court shall, without notice, render
2 judgment in accordance with the order. A judgment rendered under this subsection
3 shall have the same effect and shall be entered in the judgment and lien docket and
4 may be enforced in the same manner as if the judgment had been rendered in an
5 action tried and determined by the circuit court.

6 (6) The sworn statement of the collection and deportation counsel, or of the
7 secretary, shall be evidence of the fee and of the care and services received by the
8 person.

9 (7) The department shall administer and enforce this section. It shall appoint
10 an attorney to be designated "collection and deportation counsel" and other
11 necessary assistants. The department may delegate to the collection and
12 deportation counsel such other powers and duties as it considers advisable. The
13 collection and deportation counsel or any of the assistants may administer oaths,
14 take affidavits and testimony, examine public records, and subpoena witnesses and
15 the production of books, papers, records, and documents material to any matter of
16 proceeding relating to payments for the cost of maintenance. The department shall
17 encourage agreements or settlements with the liable person, having due regard to
18 ability to pay and the present needs of lawful dependents.

19 (8) The department may do any of the following:

20 (a) Appear for the state in any and all collection and deportation matters
21 arising in the several courts, and may commence suit in the name of the department
22 to recover the cost of maintenance against the person liable therefor.

23 (b) Determine whether any person is subject to deportation, and on behalf of
24 this state enter into reciprocal agreements with other states for deportation and

1 importation of persons who are public charges, upon such terms as will protect the
2 state's interests and promote mutual amicable relations with other states.

3 (c) From time to time investigate the financial condition and needs of persons
4 liable under sub. (2), their present ability to maintain themselves, the persons legally
5 dependent upon them for support, the protection of the property and investments
6 from which they derive their living and their care and protection, for the purpose of
7 ascertaining the person's ability to make payment in whole or in part.

8 (d) After due regard to the case and to a spouse and minor children who are
9 lawfully dependent on the property for support, compromise or waive any portion of
10 any claim of the state or county for which a person specified under sub. (2) is liable,
11 but not any claim payable by an insurer under s. 632.89 (2) or (2m) or by any other
12 3rd party.

13 (e) Make an agreement with a person who is liable under sub. (2), or who may
14 be willing to assume the cost of maintenance of any person, providing for the
15 payment of such costs at a specified rate or amount.

16 (f) Make adjustment and settlement with the several counties for their proper
17 share of all moneys collected.

18 (g) Pay quarterly from the appropriation under s. 20.437 (1) (gg) the collection
19 moneys due county departments under ss. 46.22 and 46.23. Payments shall be made
20 as soon after the close of each quarter as is practicable.

21 (9) Any person who willfully testifies falsely as to any material matter in an
22 investigation or proceeding under this section shall be guilty of perjury. Banks,
23 employers, insurers, savings banks, savings and loan associations, brokers, and
24 fiduciaries, upon request of the department, shall furnish in writing and duly
25 certified, full information regarding the property, earnings, or income or any funds

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1 deposited to the credit of or owing to any person liable under sub. (2). That certified
2 statement shall be admissible in evidence in any action or proceeding to compel
3 payment under this section, and shall be evidence of the facts stated in the certified
4 statement, if a copy of the statement is served upon the party sought to be charged
5 not less than 3 days before the hearing.

6 (10) The department shall make all reasonable and proper efforts to collect all
7 claims for maintenance, to keep payments current, and periodically to review all
8 unpaid claims.

9 (11) (a) Except as provided in par. (b), in any action to recover from a person
10 liable under this section, the statute of limitations may be pleaded in defense.

11 (b) If a person who is liable under this section is deceased, a claim may be filed
12 against the decedent's estate and the statute of limitations specified in s. 859.02 shall
13 be exclusively applicable. This paragraph applies to liability incurred on or after
14 July 20, 1985.

15 (14) (a) Except as provided in pars. (b) and (c), liability of a person specified in
16 sub. (2) or s. 49.32 (1) for care and maintenance of persons under 18 years of age in
17 residential, nonmedical facilities such as group homes, foster homes, treatment
18 foster homes, subsidized guardianship homes, and residential care centers for
19 children and youth is determined in accordance with the cost-based fee established
20 under s. 49.32 (1). The department shall bill the liable person up to any amount of
21 liability not paid by an insurer under s. 632.89 (2) or (2m) or by other 3rd-party
22 benefits, subject to rules that include formulas governing ability to pay established
23 by the department under s. 49.32 (1). Any liability of the person not payable by any
24 other person terminates when the person reaches age 18, unless the liable person has
25 prevented payment by any act or omission.

1 (b) Except as provided in par. (c), and subject to par. (cm), liability of a parent
2 specified in sub. (2) or s. 49.32 (1) for the care and maintenance of the parent's minor
3 child who has been placed by a court order under s. 48.355 or 48.357 in a residential,
4 nonmedical facility such as a group home, foster home, treatment foster home,
5 subsidized guardianship home, or residential care center for children and youth
6 shall be determined by the court by using the percentage standard established by the
7 department under s. 49.22 (9) and by applying the percentage standard in the
8 manner established by the department under par. (g).

9 (c) Upon request by a parent, the court may modify the amount of child support
10 payments determined under par. (b), subject to par. (cm), if, after considering the
11 following factors, the court finds by the greater weight of the credible evidence that
12 the use of the percentage standard is unfair to the child or to either of the parents:

13 1. The needs of the child.

14 2. The physical, mental, and emotional health needs of the child, including any
15 costs for the child's health insurance provided by a parent.

16 3. The standard of living and circumstances of the parents, including the needs
17 of each parent to support himself or herself at a level equal to or greater than that
18 established under 42 USC 9902 (2).

19 4. The financial resources of the parents.

20 5. The earning capacity of each parent, based on each parent's education,
21 training, and work experience and based on the availability of work in or near the
22 parent's community.

23 6. The need and capacity of the child for education, including higher education.

24 7. The age of the child.

25 8. The financial resources and the earning ability of the child.

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1 9. The needs of any person, including dependent children other than the child,
2 whom either parent is legally obligated to support.

3 10. The best interests of the child, including, but not limited to, the impact on
4 the child of expenditures by the family for improvement of any conditions in the home
5 that would facilitate the reunification of the child with the child's family, if
6 appropriate, and the importance of a placement that is the least restrictive of the
7 rights of the child and the parents and the most appropriate for meeting the needs
8 of the child and the family.

9 11. Any other factors that the court in each case determines are relevant.

10 (cm) 1. Except as provided in subd. 2., if a parent who is required to pay child
11 support under par. (b) or (c) is receiving adoption assistance under s. 48.975 for the
12 child for whom support is ordered, the amount of the child support payments
13 determined under par. (b) or (c) may not exceed the amount of the adoption assistance
14 maintenance payments under s. 48.975 (3) (a). If an agreement under s. 48.975 (4)
15 is in effect that provides for a payment of \$0 under s. 48.975 (3) (a), the payment of
16 \$0 shall be considered to be an adoption assistance maintenance payment for
17 purposes of this subdivision.

18 2. Subdivision 1. does not apply if, after considering the factors under par. (c)
19 1. to 11., the court finds by the greater weight of the credible evidence that limiting
20 the amount of the child support payments to the amount of the adoption assistance
21 maintenance payments under s. 48.975 (3) (a) is unfair to the child or to either of the
22 parents.

23 (d) If the court finds under par. (c) that use of the percentage standard is unfair
24 to the minor child or either of the parents, the court shall state in writing or on the
25 record the amount of support that would be required by using the percentage

1 standard, the amount by which the court's order deviates from that amount, its
2 reasons for finding that use of the percentage standard is unfair to the child or the
3 parent, its reasons for the amount of the modification, and the basis for the
4 modification.

5 (e) 1. An order issued under s. 48.355 (2) (b) 4., 48.357 (5m) (a), or 48.363 (2)
6 for support determined under this subsection constitutes an assignment of all
7 commissions, earnings, salaries, wages, pension benefits, benefits under ch. 102 or
8 108, and other money due or to be due in the future to the county department under
9 s. 46.22 or 46.23 in the county where the order was entered or to the department,
10 depending upon the placement of the child as specified by rules promulgated under
11 subd. 5. The assignment shall be for an amount sufficient to ensure payment under
12 the order.

13 2. Except as provided in subd. 3., for each payment made under the assignment,
14 the person from whom the payer under the order receives money shall receive an
15 amount equal to the person's necessary disbursements, not to exceed \$3, which shall
16 be deducted from the money to be paid to the payer.

17 3. Benefits under ch. 108 may be assigned and withheld only in the manner
18 provided in s. 108.13 (4). Any order to withhold benefits under ch. 108 shall be for
19 an amount certain. When money is to be withheld from these benefits, no fee may
20 be deducted from the amount withheld and no fine may be levied for failure to
21 withhold the money.

22 4. No employer may use an assignment under this paragraph as a basis for the
23 denial of employment to a person, the discharge of an employee, or any disciplinary
24 action against an employee. An employer who denies employment or discharges or
25 disciplines an employee in violation of this subdivision may be fined not more than

1 \$500 and may be required to make full restitution to the aggrieved person, including
2 reinstatement and back pay. Except as provided in this subdivision, restitution shall
3 be in accordance with s. 973.20. An aggrieved person may apply to the district
4 attorney or to the department of workforce development for enforcement of this
5 subdivision.

6 5. The department shall promulgate rules for the operation and
7 implementation of assignments under this paragraph.

8 (f) If the amount of the child support determined under this subsection is
9 greater than the cost for the care and maintenance of the minor child in the
10 residential, nonmedical facility, the assignee under par. (e) 1. shall expend or
11 otherwise dispose of any funds that are collected in excess of the cost of such care and
12 maintenance in a manner that the assignee determines will serve the best interests
13 of the minor child.

14 (16) The department shall delegate to county departments under ss. 46.22 and
15 46.23 or the local providers of care and services meeting the standards established
16 by the department under s. 49.34 the responsibilities vested in the department under
17 this section for collection of fees for services other than those provided at state
18 facilities, if the county departments or providers meet the conditions that the
19 department determines are appropriate. The department may delegate to county
20 departments under ss. 46.22 and 46.23 the responsibilities vested in the department
21 under this section for collection of fees for services provided at the state facilities if
22 the necessary conditions are met.

23 *-1261/5.575* *-1261/P3.490* SECTION 1507. 49.35 (1) (a) of the statutes is
24 amended to read:

1 49.35 (1) (a) The department shall supervise the administration of programs
2 under this subchapter and ch. 48. The department shall submit to the federal
3 authorities state plans for the administration of programs under this subchapter and
4 ch. 48 in such form and containing such information as the federal authorities
5 require, and shall comply with all requirements prescribed to ensure their
6 correctness.

7 ***-1261/5.576*** ***-1261/P3.491*** **SECTION 1508.** 49.35 (1) (b) of the statutes is
8 amended to read:

9 49.35 (1) (b) All records of the department and all county records relating to
10 programs under this subchapter and ch. 48 and aid under s. 49.18, 1971 stats., s.
11 49.20, 1971 stats., and s. 49.61, 1971 stats., as affected by chapter 90, laws of 1973,
12 shall be open to inspection at all reasonable hours by authorized representatives of
13 the federal government. Notwithstanding ss. 48.396 (2) and 938.396 (2), all county
14 records relating to the administration of the services and public assistance specified
15 in this paragraph shall be open to inspection at all reasonable hours by authorized
16 representatives of the department.

17 ***-1261/5.577*** ***-1261/P3.492*** **SECTION 1509.** 49.35 (2) of the statutes is
18 amended to read:

19 49.35 (2) The county administration of all laws relating to programs under this
20 subchapter and ch. 48 shall be vested in the officers and agencies designated in the
21 statutes.

22 ***-0486/1.4*** **SECTION 1510.** 49.36 (2) of the statutes is amended to read:

23 49.36 (2) The department may contract with any county, tribal governing body,
24 or Wisconsin Works agency to administer a work experience and job training
25 program for parents who are not custodial parents and who fail to pay child support

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1 or to meet their children's needs for support as a result of unemployment or
2 underemployment. The program may provide the kinds of work experience and job
3 training services available from the program under s. 49.193, 1997 stats., or s. 49.147
4 (3), (3m), or (4). The program may also include job search and job orientation
5 activities. The department shall fund the program from the appropriations under
6 s. 20.445 (3) (dz) and (k).

7 ***-1261/5.578* *-1267/P1.123* SECTION 1511.** 49.36 (2) of the statutes, as
8 affected by 2007 Wisconsin Act (this act), is amended to read:

9 49.36 (2) The department may contract with any county, tribal governing body,
10 or Wisconsin Works agency to administer a work experience and job training
11 program for parents who are not custodial parents and who fail to pay child support
12 or to meet their children's needs for support as a result of unemployment or
13 underemployment. The program may provide the kinds of work experience and job
14 training services available from the program under s. 49.193, 1997 stats., or s. 49.147
15 (3), (3m), or (4). The program may also include job search and job orientation
16 activities. The department shall fund the program from the appropriations under
17 s. ~~20.445 (3)~~ 20.437 (2) (dz) and (k).

****NOTE: This is reconciled s. 49.36 (2). This SECTION has been affected by drafts
with the following LRB numbers: -0486 and -1261.

18 ***-0905/3.27* SECTION 1512.** 49.45 (2) (a) 1. of the statutes is amended to read:

19 49.45 (2) (a) 1. Exercise responsibility relating to fiscal matters, the eligibility
20 for benefits under standards set forth in ss. 49.46 to ~~49.47~~ 49.471, and general
21 supervision of the medical assistance program.

22 ***-0905/3.28* SECTION 1513.** 49.45 (2) (a) 3. of the statutes is amended to read:

1 49.45 (2) (a) 3. Determine the eligibility of persons for medical assistance,
2 rehabilitative, and social services under ss. 49.46, 49.468, and 49.47, and 49.471 and
3 rules and policies adopted by the department and may, under a contract under s.
4 49.78 (2), delegate all, or any portion, of this function to the county department under
5 s. 46.215, 46.22, or 46.23 or a tribal governing body.

6 ***-0892/11.22* SECTION 1514.** 49.45 (2) (a) 17. of the statutes is amended to
7 read:

8 49.45 (2) (a) 17. Notify the governor, the joint committee on legislative
9 organization, the joint committee on finance and appropriate standing committees,
10 as determined by the presiding officer of each house, if the appropriation accounts
11 under s. 20.435 (4) (b) and ~~(gp)~~ (xd) are insufficient to provide the state share of
12 medical assistance.

13 ***-0905/3.29* SECTION 1515.** 49.45 (2) (b) 3. of the statutes is amended to read:

14 49.45 (2) (b) 3. Audit all claims filed by any contractor making the payment of
15 benefits paid under ss. 49.46 to 49.47 49.471 and make proper fiscal adjustments.

16 ***-0905/3.30* SECTION 1516.** 49.45 (2) (b) 7. (intro.) of the statutes is amended
17 to read:

18 49.45 (2) (b) 7. (intro.) Require, as a condition of certification under par. (a) 11.,
19 all providers of a specific service that is among those enumerated under s. 49.46 (2)
20 ~~or, 49.47 (6) (a), or 49.471 (11)~~, as specified in this subdivision, to file with the
21 department a surety bond issued by a surety company licensed to do business in this
22 state. Providers subject to this subdivision provide those services specified under s.
23 49.46 (2) ~~or, 49.47 (6) (a), or 49.471 (11)~~ for which providers have demonstrated
24 significant potential to violate s. 49.49 (1) (a), (2) (a) or (b), (3), (3m) (a), (3p), (4) (a),
25 or (4m) (a), to require recovery under par. (a) 10., or to need additional sanctions

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1 under par. (a) 13. The surety bond shall be payable to the department in an amount
2 that the department determines is reasonable in view of amounts of former
3 recoveries against providers of the specific service and the department's costs to
4 pursue those recoveries. The department shall promulgate rules to implement this
5 subdivision that specify all of the following:

6 ***-0330/P6.40* SECTION 1517.** 49.45 (3) (ag) of the statutes is amended to read:

7 49.45 (3) (ag) Reimbursement shall be made to each entity contracted with
8 under s. ~~46.281 (1) (e)~~ 46.283 (2) for functional screens screenings performed by the
9 entity.

10 ***-0905/3.31* SECTION 1518.** 49.45 (3) (b) 1. of the statutes is amended to read:

11 49.45 (3) (b) 1. The contractor, if any, administering benefits or providing
12 prepaid health care under s. 49.46, 49.465, 49.468 ~~or~~, 49.47, or 49.471 shall be
13 entitled to payment from the department for benefits so paid or prepaid health care
14 so provided or made available when a certification of eligibility is properly on file
15 with the contractor in addition to the payment of administrative expense incurred
16 pursuant to the contract and as provided in sub. (2) (a) 4., but the contractor shall
17 not be reimbursed for benefits erroneously paid where no certification is on file.

18 ***-0905/3.32* SECTION 1519.** 49.45 (3) (b) 2. of the statutes is amended to read:

19 49.45 (3) (b) 2. The contractor, if any, insuring benefits under s. 49.46, 49.465,
20 49.468 ~~or~~, 49.47, or 49.471 shall be entitled to receive a premium, in an amount and
21 on terms agreed, for such benefits for the persons eligible to receive them and for its
22 services as insurer.

23 ***-0905/3.33* SECTION 1520.** 49.45 (3) (dm) of the statutes is amended to read:

24 49.45 (3) (dm) After distribution of computer software has been made under
25 1993 Wisconsin Act 16, section 9126 (13h), no payment may be made for home health

1 care services provided to persons who are enrolled in the federal medicare program
2 and are recipients of medical assistance under s. 49.46 ~~or~~, 49.47, or 49.471 unless the
3 provider of the services has in use the computer software to maximize payments
4 under the federal medicare program under 42 USC 1395.

5 ***-0905/3.34* SECTION 1521.** 49.45 (3) (f) 2. of the statutes is amended to read:
6 49.45 (3) (f) 2. The department may deny any provider claim for reimbursement
7 which cannot be verified under subd. 1. or may recover the value of any payment
8 made to a provider which cannot be so verified. The measure of recovery will be the
9 full value of any claim if it is determined upon audit that actual provision of the
10 service cannot be verified from the provider's records or that the service provided was
11 not included in s. 49.46 (2) or 49.471 (11). In cases of mathematical inaccuracies in
12 computations or statements of claims, the measure of recovery will be limited to the
13 amount of the error.

14 ***-0905/3.35* SECTION 1522.** 49.45 (3) (L) 2. of the statutes is amended to read:
15 49.45 (3) (L) 2. The department may not pay a provider for a designated health
16 service that is authorized under this section or s. 49.46 ~~or~~, 49.47, or 49.471, that is
17 provided as the result of a referral made to the provider by a physician and that,
18 under 42 USC 1396b (s), if made on behalf of a beneficiary of medicare under the
19 requirements of 42 USC 1395nn, as amended to August 10, 1993, would result in the
20 denial of payment for the service under 42 USC 1395nn.

21 ***-0905/3.36* SECTION 1523.** 49.45 (3) (m) of the statutes is amended to read:
22 49.45 (3) (m) To be certified under sub. (2) (a) 11. to provide transportation by
23 specialized medical vehicle, a person must have at least one human service vehicle,
24 as defined in s. 340.01 (23g), that satisfies the requirements imposed under s. 110.05
25 for a vehicle that is used to transport a person in a wheelchair. If a certified provider

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1 uses 2 or more vehicles to provide transportation by specialized medical vehicle, at
2 least 2 of the vehicles must be human service vehicles that satisfy the requirements
3 imposed under s. 110.05 for a vehicle that is used to transport a person in a
4 wheelchair, and any 3rd or additional vehicle must be a human service vehicle to
5 which the equipment required under s. 110.05 for transporting a person in a
6 wheelchair may be added. The department shall pay for transportation by
7 specialized medical vehicle under s. 49.46 (2) (b) 3. or 49.471 (11) (m) that is provided
8 in a human service vehicle that is not equipped to transport a person in a wheelchair
9 if the person being transported does not use a wheelchair. The reimbursement rate
10 for transportation by specialized medical vehicle provided in a vehicle that is not
11 equipped to accommodate a wheelchair shall be the same as for transportation by
12 specialized medical vehicle provided in a vehicle that is equipped to accommodate a
13 wheelchair.

14 ***-0892/11.23* SECTION 1524.** 49.45 (5m) (am) of the statutes is amended to
15 read:

16 49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriation accounts
17 under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w), and (xd), the department shall distribute not
18 more than \$2,256,000 in each fiscal year, to provide supplemental funds to rural
19 hospitals that, as determined by the department, have high utilization of inpatient
20 services by patients whose care is provided from governmental sources, and to
21 provide supplemental funds to critical access hospitals, except that the department
22 may not distribute funds to a rural hospital or to a critical access hospital to the
23 extent that the distribution would exceed any limitation under 42 USC 1396b (i) (3).

24 ***-0905/3.37* SECTION 1525.** 49.45 (6c) (d) 1. of the statutes is amended to read:

1 49.45 (6c) (d) 1. No payment may be made under sub. (6m) to a facility or to
2 an institution for mental diseases for the care of an individual who is otherwise
3 eligible for medical assistance under s. 49.46 or, 49.47, or 49.471, who has
4 developmental disability or mental illness and for whom under par. (b) or (c) it is
5 determined that he or she does not need facility care, unless it is determined that the
6 individual requires active treatment for developmental disability or active
7 treatment for mental illness and has continuously resided in a facility or institution
8 for mental diseases for at least 30 months prior to the date of the determination. If
9 that individual requires active treatment and has so continuously resided, he or she
10 shall be offered the choice of receiving active treatment for developmental disability
11 or active treatment for mental illness in the facility or institution for mental diseases
12 or in an alternative setting. A facility resident who has developmental disability or
13 mental illness, for whom under par. (c) it is determined that he or she does not need
14 facility care and who has not continuously resided in a facility for at least 30 months
15 prior to the date of the determination, may not continue to reside in the facility after
16 December 31, 1993, and shall, if the department so determines, be relocated from the
17 facility after March 31, 1990, and before December 31, 1993. The county department
18 shall be responsible for securing alternative residence on behalf of an individual who
19 is required to be relocated from a facility under this subdivision, and the facility shall
20 cooperate with the county department in the relocation.

21 *-0905/3.38* SECTION 1526. 49.45 (6c) (d) 2. of the statutes is amended to read:

22 49.45 (6c) (d) 2. Payment may be made under sub. (6m) to a facility or
23 institution for mental diseases for the care of an individual who is otherwise eligible
24 for medical assistance under s. 49.46 or, 49.47, or 49.471 and who has developmental
25 disability or mental illness and is determined under par. (b) or (c) to need facility care,

1 regardless of whether it is determined under par. (b) or (c) that the individual does
2 or does not require active treatment for developmental disability or active treatment
3 for mental illness.

4 ***-0892/11.24* SECTION 1527.** 49.45 (6m) (ag) (intro.) of the statutes is
5 amended to read:

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

13 ***-0647/3.2* SECTION 1528.** 49.45 (6m) (ar) 1. a. of the statutes is amended to
14 read:

15 49.45 **(6m)** (ar) 1. a. The department shall establish standards for payment of
16 allowable direct care costs under par. (am) 1. bm., for facilities that do not primarily
17 serve the developmentally disabled, that take into account direct care costs for a
18 sample of all of those facilities in this state and separate standards for payment of
19 allowable direct care costs, for facilities that primarily serve the developmentally
20 disabled, that take into account direct care costs for a sample of all of those facilities
21 in this state. The standards shall be adjusted by the department for regional labor
22 cost variations. The department shall treat as a single labor region the counties of
23 Dane, Iowa, Columbia, and Sauk, and Rock. For facilities in Douglas, Pierce, and St.
24 Croix counties, the department shall perform the adjustment by use of the wage

* -0332/ * SECTION # . RP; 49.45 (6m) (ap)

LPS: add attorney number

1 index that is used by the federal department of health and human services for
2 hospital reimbursement under 42 USC 1395 to 1395ggg.

3 ***-1181/9.19* SECTION 1529.** 49.45 (6m) (br) 1. of the statutes is amended to
4 read:

5 49.45 (6m) (br) 1. Notwithstanding s. 20.410 (3) (cd), (ko), or (r), 20.435 (4) (bt)
6 or (7) (b), or 20.445 (3) (dz), the department shall reduce allocations of funds to
7 counties in the amount of the disallowance from the appropriation account under s.
8 20.435 (4) (bt) or (7) (b), or the department shall direct the department of workforce
9 development to reduce allocations of funds to counties or Wisconsin works agencies
10 in the amount of the disallowance from the appropriation account under s. 20.445 (3)
11 (dz) or direct the department of corrections to reduce allocations of funds to counties
12 in the amount of the disallowance from the appropriation account under s. 20.410 (3)
13 (cd), (ko), or (r) in accordance with s. 16.544 to the extent applicable.

14 ***-1261/5.579* *-1267/P1.124* SECTION 1530.** 49.45 (6m) (br) 1. of the
15 statutes, as affected by 2007 Wisconsin Act ... (this act), is amended to read:

16 49.45 (6m) (br) 1. Notwithstanding s. 20.410 (3) (cd), (ko), or (r), 20.435 (4) (bt)
17 or (7) (b) or ~~20.445 (3)~~ 20.437 (2) (dz), the department shall reduce allocations of funds
18 to counties in the amount of the disallowance from the appropriation account under
19 s. 20.435 (4) (bt) or (7) (b), or the department shall direct the department of workforce
20 development children and families to reduce allocations of funds to counties or
21 Wisconsin works Works agencies in the amount of the disallowance from the
22 appropriation account under s. ~~20.445 (3)~~ 20.437 (2) (dz) or direct the department of
23 corrections to reduce allocations of funds to counties in the amount of the
24 disallowance from the appropriation account under s. 20.410 (3) (cd), (ko), or (r) in
25 accordance with s. 16.544 to the extent applicable.

****NOTE: This is reconciled s. 49.45 (6m) (br) 1. This SECTION has been affected by drafts with the following LRB numbers: -1181 and -1261.

1 ***-0266/3.1* SECTION 1531.** 49.45 (6m) (m) of the statutes is created to read:

2 49.45 (6m) (m) To hold a bed in a facility, the department may pay the full
3 payment rate under this subsection for up to 30 days for services provided to a person
4 during the pendency of an undue hardship determination, as provided in s. 49.453
5 (8) (b) 3.

6 ***-0892/11.25* SECTION 1532.** 49.45 (6v) (b) of the statutes is amended to read:

7 49.45 (6v) (b) The department shall, each year, submit to the joint committee
8 on finance a report for the previous fiscal year, except for the 1997-98 fiscal year, that
9 provides information on the utilization of beds by recipients of medical assistance in
10 facilities and a discussion and detailed projection of the likely balances,
11 expenditures, encumbrances and carry over of currently appropriated amounts in
12 the appropriation accounts under s. 20.435 (4) (b), ~~(gp)~~, and (o), and (xd).

13 ***-0892/11.26* SECTION 1533.** 49.45 (6x) (a) of the statutes is amended to read:

14 49.45 (6x) (a) Notwithstanding sub. (3) (e), from the appropriation accounts
15 under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w), and (xd), the department shall distribute not
16 more than \$4,748,000 in each fiscal year, to provide funds to an essential access city
17 hospital, except that the department may not allocate funds to an essential access
18 city hospital to the extent that the allocation would exceed any limitation under 42
19 USC 1396b (i) (3).

20 ***-0892/11.27* SECTION 1534.** 49.45 (6y) (a) of the statutes is amended to read:

21 49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriation accounts
22 under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w), and (xd), the department shall may
23 distribute funding in each fiscal year to provide supplemental payment to hospitals

1 that enter into a contract under s. 49.02 (2) to provide health care services funded
2 by a relief block grant, as determined by the department, for hospital services that
3 are not in excess of the hospitals' customary charges for the services, as limited under
4 42 USC 1396b (i) (3). If no relief block grant is awarded under this chapter or if the
5 allocation of funds to such hospitals would exceed any limitation under 42 USC
6 1396b (i) (3), the department may distribute funds to hospitals that have not entered
7 into a contract under s. 49.02 (2).

****NOTE: This is reconciled s. 49.45 (6y) (a). This SECTION has been affected by
drafts with the following LRB numbers: -0892/9 and -1521/5.

8 ***-0892/11.28* SECTION 1535.** 49.45 (6y) (am) of the statutes is amended to
9 read:

10 49.45 (6y) (am) Notwithstanding sub. (3) (e), from the appropriation accounts
11 under s. 20.435 (4) (b), (h), ~~(gp)~~, (o), and (w), and (xd), the department shall distribute
12 funding in each fiscal year to provide supplemental payments to hospitals that enter
13 into contracts under s. 49.02 (2) with a county having a population of 500,000 or more
14 to provide health care services funded by a relief block grant, as determined by the
15 department, for hospital services that are not in excess of the hospitals' customary
16 charges for the services, as limited under 42 USC 1396b (i) (3).

17 ***-0994/P2.2* SECTION 1536.** 49.45 (6z) (a) (intro.) of the statutes is amended
18 to read:

19 49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriation
20 accounts under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w), and (xd), the department shall may
21 distribute funding in each fiscal year to supplement payment for services to hospitals
22 that enter into ~~a contract under s. 49.02 (2) to provide health care services funded~~
23 by a relief block grant under this chapter indigent care agreements, in accordance

1 with the approved state plan for services under 42 USC 1396a, with relief agencies
2 that administer the medical relief block grant under this chapter, if the department
3 determines that the hospitals serve a disproportionate number of low-income
4 patients with special needs. If no medical relief block grant under this chapter is
5 awarded or if the allocation of funds to such hospitals would exceed any limitation
6 under 42 USC 1396b (i) (3), the department may distribute funds to hospitals that
7 have not entered into ~~a contract under s. 49.02 (2)~~ indigent care agreements. The
8 department may not distribute funds under this subsection to the extent that the
9 distribution would do any of the following:

***NOTE: This is reconciled s. 49.02 (6) (a) (intro.). This paragraph has been
affected by drafts with the following LRB numbers: -0892/9, -0994/P1, and -1521/5.

10 ***-0905/3.39* SECTION 1537.** 49.45 (8) (a) 4. of the statutes is amended to read:

11 49.45 (8) (a) 4. "Patient care visit" means a personal contact with a patient in
12 a patient's home that is made by a registered nurse, licensed practical nurse, home
13 health aide, physical therapist, occupational therapist, or speech-language
14 pathologist who is on the staff of or under contract or arrangement with a home
15 health agency, or by a registered nurse or licensed practical nurse practicing
16 independently, to provide a service that is covered under s. 49.46 ~~or~~, 49.47, or 49.471.

17 "Patient care visit" does not include time spent by a nurse, therapist, or home health
18 aide on case management, care coordination, travel, record keeping, or supervision
19 that is related to the patient care visit.

20 ***-0892/11.29* SECTION 1538.** 49.45 (8) (b) of the statutes is amended to read:

21 49.45 (8) (b) Reimbursement under s. 20.435 (4) (b), ~~(gp)~~, (o), ~~and~~ (w), and (xd)
22 for home health services provided by a certified home health agency or independent
23 nurse shall be made at the home health agency's or nurse's usual and customary fee

1 per patient care visit, subject to a maximum allowable fee per patient care visit that
2 is established under par. (c).

3 ***-0905/3.40* SECTION 1539.** 49.45 (9) of the statutes is amended to read:

4 49.45 (9) FREE CHOICE. Any person eligible for medical assistance under ss. s.
5 49.46, 49.468 and, 49.47, or 49.471 may use the physician, chiropractor, dentist,
6 pharmacist, hospital, skilled nursing home, health maintenance organization,
7 limited service health organization, preferred provider plan or other licensed,
8 registered or certified provider of health care of his or her choice, except that free
9 choice of a provider may be limited by the department if the department's alternate
10 arrangements are economical and the recipient has reasonable access to health care
11 of adequate quality. The department may also require a recipient to designate, in any
12 or all categories of health care providers, a primary health care provider of his or her
13 choice. After such a designation is made, the recipient may not receive services from
14 other health care providers in the same category as the primary health care provider
15 unless such service is rendered in an emergency or through written referral by the
16 primary health care provider. Alternate designations by the recipient may be made
17 in accordance with guidelines established by the department. Nothing in this
18 subsection shall vitiate the legal responsibility of the physician, chiropractor,
19 dentist, pharmacist, skilled nursing home, hospital, health maintenance
20 organization, limited service health organization, preferred provider plan or other
21 licensed, registered or certified provider of health care to patients. All contract and
22 tort relationships with patients shall remain, notwithstanding a written referral
23 under this section, as though dealings are direct between the physician, chiropractor,
24 dentist, pharmacist, skilled nursing home, hospital, health maintenance
25 organization, limited service health organization, preferred provider plan or other

1 licensed, registered or certified provider of health care and the patient. No physician,
2 chiropractor, pharmacist or dentist may be required to practice exclusively in the
3 medical assistance program.

4 ***-0905/3.41* SECTION 1540.** 49.45 (18) (ac) of the statutes is amended to read:
5 49.45 (18) (ac) Except as provided in pars. (am) to (d), and subject to par. (ag),
6 any person eligible for medical assistance under s. 49.46, 49.468, or 49.47, or for the
7 benefits under s. 49.46 (2) (a) and (b) under s. 49.471 shall pay up to the maximum
8 amounts allowable under 42 CFR 447.53 to 447.58 for purchases of services provided
9 under s. 49.46 (2). The service provider shall collect the specified or allowable
10 copayment, coinsurance, or deductible, unless the service provider determines that
11 the cost of collecting the copayment, coinsurance, or deductible exceeds the amount
12 to be collected. The department shall reduce payments to each provider by the
13 amount of the specified or allowable copayment, coinsurance, or deductible. No
14 provider may deny care or services because the recipient is unable to share costs, but
15 an inability to share costs specified in this subsection does not relieve the recipient
16 of liability for these costs.

17 ***-0905/3.42* SECTION 1541.** 49.45 (18) (am) of the statutes is amended to read:
18 49.45 (18) (am) No person is liable under this subsection for services provided
19 through prepayment contracts. This paragraph does not apply to a person who is
20 eligible for the benefits under s. 49.46 (2) (a) and (b) under s. 49.471.

21 ***-0268/2.1* SECTION 1542.** 49.45 (18m) of the statutes is created to read:
22 49.45 (18m) **MEDICARE PART B ENROLLMENT AND PREMIUM PAYMENT.** (a) The
23 department may require an individual who is eligible for Medicare Part B under 42
24 USC 1395j to 1395L and who also is eligible for any of the following medical

1 assistance services under any of the following to enroll in Medicare Part B as a
2 condition of receiving those medical assistance services:

- 3 1. Medical assistance services under s. 49.46, 49.47, or 49.472.
- 4 2. Health care coverage under the Badger Care health care program under s.
5 49.665.
- 6 3. Services under s. 46.27 (11), 46.275, 46.277, 46.278, or 46.2785.
- 7 4. Medical assistance services provided as part of a family care benefit, as
8 defined in s. 46.2805 (4).
- 9 5. Services provided under a waiver requested under 2001 Wisconsin Act 16,
10 section 9123 (16rs), or 2003 Wisconsin Act 33, section 9124 (8c).
- 11 6. Services provided under the program of all-inclusive care for persons aged
12 55 or older authorized under 42 USC 1396u-4.
- 13 7. Services provided under the demonstration program under a federal waiver
14 authorized under 42 USC 1315.

15 (b) If the department requires an individual specified in par. (a) to enroll in
16 Medicare Part B, the department shall pay the monthly premiums for the coverage
17 under Medicare Part B.

18 ***-0905/3.43* SECTION 1543.** 49.45 (18m) (a) 1. of the statutes, as created by
19 2007 Wisconsin Act (this act), is amended to read:

20 49.45 (18m) (a) 1. Medical assistance services under s. 49.46, 49.47, 49.471, or
21 49.472.

****NOTE: This is reconciled s. 49.45 (18m) (a) 1. This SECTION has been affected
by drafts with the following LRB numbers: -0268 and -0905.

22 ***-1521/6.4* SECTION 1544.** 49.45 (23) of the statutes is created to read:

1 49.45 (23) ASSISTANCE FOR CHILDLESS ADULTS DEMONSTRATION PROJECT. (a) The
2 department shall request a waiver from the secretary of the federal department of
3 health and human services to permit the department to conduct a demonstration
4 project to provide health care coverage for basic primary and preventive care to
5 adults who are under the age of 65, who have family incomes not to exceed 200
6 percent of the poverty line, and who are not otherwise eligible for medical assistance
7 under this subchapter, the Badger Care health care program under s. 49.665, or
8 Medicare under 42 USC 1395 et seq. Any individual who had coverage under the
9 Health Insurance Risk-Sharing Plan under subch. II of ch. 149 within 6 months
10 before applying for the project under this subsection is not eligible to participate in
11 the project under this subsection.

12 (b) If the waiver is granted and in effect, the department may promulgate rules
13 defining the health care benefit plan, including more specific eligibility
14 requirements and cost-sharing requirements. Notwithstanding s. 227.24 (3), the
15 plan details under this subsection may be promulgated as an emergency rule under
16 s. 227.24 without a finding of emergency. If the waiver is granted and in effect, the
17 demonstration project under this subsection shall begin on January 1, 2009, or on
18 the effective date of the waiver, whichever is later.

19 *-0905/3.44* SECTION 1545. 49.45 (24g) of the statutes is repealed.

20 *-0892/11.30* SECTION 1546. 49.45 (24m) (intro.) of the statutes is amended
21 to read:

22 49.45 (24m) (intro.) From the appropriation accounts under s. 20.435 (4) (b),
23 (~~gp~~), (o), and (w), and (xd), in order to test the feasibility of instituting a system of
24 reimbursement for providers of home health care and personal care services for

1 medical assistance recipients that is based on competitive bidding, the department
2 shall:

3 ***-1333/1.1* SECTION 1547.** 49.45 (24r) of the statutes is amended to read:

4 **49.45 (24r) FAMILY PLANNING DEMONSTRATION PROJECT.** The department shall
5 request ~~a~~ an amended waiver from the secretary of the federal department of health
6 and human services to permit the department to conduct a demonstration project to
7 provide family planning services, as defined in s. 253.07 (1) ~~(b)~~ (a), under medical
8 assistance to any woman or man between the ages of 15 and 44 whose family income
9 does not exceed ~~185%~~ 200 percent of the poverty line for a family the size of the
10 woman's or man's family. If The department shall implement any waiver granted
11 and, if the amendment to the waiver is granted and in effect, the department shall
12 implement the amended waiver no later than July 1, 1998 January 1, 2008, or on the
13 federally approved effective date of the amended waiver, whichever is later.

14 ***-0905/3.45* SECTION 1548.** 49.45 (29) of the statutes is amended to read:

15 **49.45 (29) HOSPICE REIMBURSEMENT.** The department shall promulgate rules
16 limiting aggregate payments made to a hospice under ss. 49.46 ~~and, 49.47, and~~
17 49.471.

18 ***-0930/2.1* SECTION 1549.** 49.45 (31) of the statutes is repealed.

19 ***-0905/3.46* SECTION 1550.** 49.45 (35) of the statutes is repealed.

20 ***-1261/5.580* *-1267/P1.125* SECTION 1551.** 49.45 (40) of the statutes is
21 amended to read:

22 **49.45 (40) PERIODIC RECORD MATCHES.** If the department contracts with the
23 department of workforce development children and families under s. 49.197 (5), the
24 department shall cooperate with the department of workforce development children
25 and families in matching records of medical assistance recipients under s. 49.32 (7).

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1 ***-0905/3.47* SECTION 1552.** 49.45 (42m) (a) of the statutes is amended to read:

2 49.45 (42m) (a) If, in authorizing the provision of physical or occupational
3 therapy services under s. 49.46 (2) (b) 6. b. or 49.471 (11) (i), the department
4 authorizes a reduced duration of services from the duration that the provider
5 specifies in the authorization request, the department shall substantiate the
6 reduction that the department made in the duration of the services if the provider
7 of the services requests any additional authorizations for the provision of physical
8 or occupational therapy services to the same individual.

9 ***-0905/3.48* SECTION 1553.** 49.45 (48) of the statutes is amended to read:

10 49.45 (48) PAYMENT OF MEDICARE PART B OUTPATIENT HOSPITAL SERVICES
11 COINSURANCES. The department shall include in the state plan for medical assistance
12 a methodology for payment of the medicare part B outpatient hospital services
13 coinsurance amounts that are authorized under ss. 49.46 (2) (c) 2., 4., and 5m., 49.468
14 (1) (b), and 49.47 (6) (a) 6. b., d., and f., and 49.471 (6) (j) 1.

15 ***-0905/3.49* SECTION 1554.** 49.45 (49m) (c) 1. of the statutes is amended to
16 read:

17 49.45 (49m) (c) 1. A list of the prescription drugs that are included as a benefit
18 under s. ss. 49.46 (2) (b) 6. h. and 49.471 (11) (a) that identifies preferred choices
19 within therapeutic classes and includes prescription drugs that bear only generic
20 names.

21 ***-0892/11.31* SECTION 1555.** 49.45 (52) of the statutes is amended to read:

22 49.45 (52) PAYMENT ADJUSTMENTS. Beginning on January 1, 2003, the
23 department may, from the appropriation account under s. 20.435 (7) (b), make
24 Medical Assistance payment adjustments to county departments under s. 46.215,
25 46.22, 46.23, or 51.42, or 51.437 or to local health departments, as defined in s. 250.01

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

8 ***-0905/3.50* SECTION 1556.** 49.45 (53) of the statutes is amended to read:

9 49.45 (53) PAYMENTS FOR CERTAIN SERVICES. Beginning on January 1, 2003, the
10 department may, from the appropriation account under s. 20.435 (7) (b), make
11 Medical Assistance payments to providers for covered services under ~~s. ss.~~ 49.46 (2)
12 (a) 4. d. and (b) 6. j. and m. and 49.471 (11) (f).

13 ***-1022/3.2* SECTION 1557.** 49.45 (54) of the statutes is created to read:

14 49.45 (54) MANAGED CARE PILOT PROGRAM FOR LONG-TERM CARE OF CHILDREN WITH
15 DISABILITIES. The department shall seek waivers of federal medical assistance
16 statutes and regulations from the federal department of health and human services
17 necessary to implement, in at least 3 pilot sites, a program of managed care for the
18 long-term care of children with disabilities.

19 ***-0266/3.2* SECTION 1558.** 49.453 (1) (a) of the statutes is amended to read:

20 49.453 (1) (a) "Assets" has the meaning given in 42 USC 1396p (e) (h) (1).

21 ***-0266/3.3* SECTION 1559.** 49.453 (1) (ar) of the statutes is created to read:

22 49.453 (1) (ar) "Community spouse" means the spouse of either the
23 institutionalized person or the noninstitutionalized person.

24 ***-0266/3.4* SECTION 1560.** 49.453 (1) (d) of the statutes is amended to read:

25 49.453 (1) (d) "Income" has the meaning given in 42 USC 1396p (e) (h) (2).

1 ***-0266/3.5* SECTION 1561.** 49.453 (1) (e) of the statutes is amended to read:

2 49.453 (1) (e) "Institutionalized individual" has the meaning given in 42 USC
3 1396p (e) (h) (3).

4 ***-0266/3.6* SECTION 1562.** 49.453 (1) (f) (intro.) of the statutes is amended to
5 read:

6 49.453 (1) (f) (intro.) "Look-back date" means for a covered individual, either
7 of the following:

8 1m. For transfers made before February 8, 2006, the date that is 36 months
9 before, or with respect to payments from a trust or portions of a trust that are treated
10 as assets transferred by the covered individual under s. 49.454 (2) (c) or (3) (b) the
11 date that is 60 months before:

12 ***-0266/3.7* SECTION 1563.** 49.453 (1) (f) 1. of the statutes is renumbered
13 49.453 (1) (f) 1m. a.

14 ***-0266/3.8* SECTION 1564.** 49.453 (1) (f) 2. of the statutes is renumbered
15 49.453 (1) (f) 1m. b.

16 ***-0266/3.9* SECTION 1565.** 49.453 (1) (f) 2m. of the statutes is created to read:
17 49.453 (1) (f) 2m. For all transfers made on or after February 8, 2006, the date
18 that is 60 months before the dates specified in subd. 1m. a. and b.

19 ***-0266/3.10* SECTION 1566.** 49.453 (1) (fm) of the statutes is amended to read:
20 49.453 (1) (fm) "Noninstitutionalized individual" has the meaning given in 42
21 USC 1396p (e) (h) (4).

22 ***-0266/3.11* SECTION 1567.** 49.453 (1) (i) of the statutes is amended to read:
23 49.453 (1) (i) "Resources" has the meaning given in 42 USC 1396p (e) (h) (5).

24 ***-0266/3.12* SECTION 1568.** 49.453 (3) (a) of the statutes is renumbered 49.453
25 (3) (a) (intro.) and amended to read:

1 49.453 (3) (a) (intro.) The period of ineligibility under this subsection begins
2 on either of the following:

3 1. In the case of a transfer of assets made before February 8, 2006, the first day
4 of the first month beginning on or after the look-back date during or after which
5 assets have been transferred for less than fair market value and that does not occur
6 in any other periods of ineligibility under this subsection.

7 ***-0266/3.13* SECTION 1569.** 49.453 (3) (a) 2. of the statutes is created to read:

8 49.453 (3) (a) 2. In the case of a transfer of assets made on or after February
9 8, 2006, the first day of a month beginning on or after the look-back date during or
10 after which assets have been transferred for less than fair market value, or the date
11 on which the individual is eligible for medical assistance and would otherwise be
12 receiving institutional level care described in sub. (2) (a) 1. to 3. based on an approved
13 application for the care but for the application of the penalty period, whichever is
14 later, and that does not occur during any other period of ineligibility under this
15 subsection.

16 ***-0266/3.14* SECTION 1570.** 49.453 (3) (b) (intro.) of the statutes is amended
17 to read:

18 49.453 (3) (b) (intro.) The Subject to par. (bc), the department shall determine
19 the number of months of ineligibility as follows:

20 ***-0266/3.15* SECTION 1571.** 49.453 (3) (bc) of the statutes is created to read:

21 49.453 (3) (bc) In determining the number of months of ineligibility under par.
22 (b), with respect to asset transfers that occur after February 8, 2006, the department
23 may not round down the quotient, or otherwise disregard any fraction of a month,
24 obtained in the division under par. (b) 3.

1 ***-0266/3.16* SECTION 1572.** 49.453 (4) (a) of the statutes is renumbered 49.453
2 (4) (ag).

3 ***-0266/3.17* SECTION 1573.** 49.453 (4) (ac) of the statutes is created to read:
4 49.453 (4) (ac) In this subsection, "transaction" means any action taken by an
5 individual that changes the course of payments to be made under an annuity or the
6 treatment of the income or principal of an annuity, including all of the following:

- 7 1. An addition of principal.
- 8 2. An elective withdrawal.
- 9 3. A request to change the distribution of the annuity.
- 10 4. An election to annuitize the contract.
- 11 5. A change in ownership.

12 ***-0266/3.18* SECTION 1574.** 49.453 (4) (am) of the statutes is amended to read:
13 49.453 (4) (am) Paragraph (a) (ag) 1. does not apply to a variable annuity that
14 is tied to a mutual fund that is registered with the federal securities and exchange
15 commission.

16 ***-0266/3.19* SECTION 1575.** 49.453 (4) (b) of the statutes is amended to read:
17 49.453 (4) (b) The amount of assets that is transferred for less than fair market
18 value under par. (a) (ag) is the amount by which the transferred amount exceeds the
19 expected value of the benefit.

20 ***-0266/3.20* SECTION 1576.** 49.453 (4) (c) of the statutes is amended to read:
21 49.453 (4) (c) The department shall promulgate rules specifying the method to
22 be used in calculating the expected value of the benefit, based on 26 CFR 1.72-1 to
23 1.72-18, and specifying the criteria for adjusting the expected value of the benefit
24 based on a medical condition diagnosed by a physician before the assets were
25 transferred to the annuity, or transferred by promissory note or similar instrument.

1 In calculating the amount of the divestment when a transfer to an annuity, or a
2 transfer by promissory note or similar instrument, is made, payments made to the
3 transferor in any year subsequent to the year in which the transfer was made shall
4 be discounted to the year in which the transfer was made by the applicable federal
5 rate specified under par. (a) (ag) on the date of the transfer.

6 ***-0266/3.21* SECTION 1577.** 49.453 (4) (cm) of the statutes is created to read:
7 49.453 (4) (cm) Paragraphs (ag) to (c) apply to annuities purchased before
8 February 8, 2006, for which no transaction has occurred on or after February 8, 2006.

9 ***-0266/3.22* SECTION 1578.** 49.453 (4) (d) of the statutes is created to read:
10 49.453 (4) (d) For purposes of sub. (2), the purchase of an annuity by an
11 institutionalized individual or his or her community spouse, or anyone acting on
12 their behalf, shall be treated as a transfer of assets for less than fair market value
13 unless any of the following applies:

14 1. The state is designated as the remainder beneficiary in the first position for
15 at least the total amount of medical assistance paid on behalf of the institutionalized
16 individual.

17 2. The state is named as a beneficiary in the 2nd position after the community
18 spouse or a minor or disabled child and is named in the first position if the community
19 spouse or a representative of the minor or disabled child disposes of any remainder
20 for less than fair market value.

21 3. The annuity satisfies the requirements under par. (e) 1. or 2.

22 ***-0266/3.23* SECTION 1579.** 49.453 (4) (e) of the statutes is created to read:
23 49.453 (4) (e) For purposes of sub. (2), the purchase of an annuity by or on behalf
24 of an annuitant who has applied for medical assistance for nursing facility services

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1 or other long-term care services described in sub. (2) is a transfer of assets for less
2 than fair market value unless either of the following applies:

3 1. The annuity is either an annuity described in section 408 (b) or (q) of the
4 Internal Revenue Code of 1986 or purchased with proceeds from any of the following:

5 a. An account or trust described in section 408 (a), (c), or (p) of the Internal
6 Revenue Code of 1986.

7 b. A simplified employee pension, within the meaning of section 408 (k) of the
8 Internal Revenue Code of 1986.

9 c. A Roth IRA described in section 408A of the Internal Revenue Code of 1986.

10 2. All of the following apply with respect to the annuity:

11 a. The annuity is irrevocable and nonassignable.

12 b. The annuity is actuarially sound, as determined in accordance with actuarial
13 publications of the office of the chief actuary of the social security administration.

14 c. The annuity provides for payments in equal amounts during the term of the
15 annuity, with no deferral and no balloon payments made.

16 *-0266/3.24* SECTION 1580. 49.453 (4) (em) of the statutes is created to read:

17 49.453 (4) (em) Paragraphs (d) and (e) apply to all of the following:

18 1. Annuities purchased on or after February 8, 2006.

19 2. Annuities purchased before February 8, 2006, for which a transaction has
20 occurred on or after February 8, 2006.

21 *-0266/3.25* SECTION 1581. 49.453 (4c) of the statutes is created to read:

22 49.453 (4c) PURCHASE OF NOTE, LOAN, OR MORTGAGE. (a) For purposes of sub. (2),
23 the purchase by an individual or his or her spouse of a promissory note, loan, or
24 mortgage after February 8, 2006, is a transfer of assets for less than fair market
25 value unless all of the following apply with respect to the note, loan, or mortgage:

- 1 1. The repayment term is actuarially sound.
- 2 2. The payments are to be made in equal amounts during the term of the loan,
- 3 with no deferral and no balloon payment.
- 4 3. Cancellation of the balance upon the death of the lender is prohibited.

5 (b) The value of a promissory note, loan, or mortgage that does not satisfy the
6 requirements under par. (a) 1. to 3. is the outstanding balance due on the date that
7 the individual applies for medical assistance for nursing facility services or other
8 long-term care services described in sub. (2).

9 ***-0266/3.26* SECTION 1582.** 49.453 (4m) of the statutes is created to read:

10 49.453 (4m) PURCHASE OF LIFE ESTATE. For purposes of sub. (2), the purchase
11 by an individual or his or her spouse of a life estate in another individual's home after
12 February 8, 2006, is a transfer of assets for less than fair market value unless the
13 purchaser resides in the home for at least one year after the date of the purchase.

14 ***-0266/3.27* SECTION 1583.** 49.453 (8) of the statutes is renumbered 49.453

15 (8) (a) (intro.) and amended to read:

16 49.453 (8) (a) (intro.) Subsections (2) and (3) do not apply to transfers of assets
17 if the any of the following applies:

18 1. The assets are exempt under 42 USC 1396p (c) (2) or if the (A), (B), or (C).

19 2. The department determines under the process under par. (b) that application
20 of this section would work an undue hardship. The department shall promulgate
21 rules concerning the transfer of assets exempt under 42 USC 1396p (c) (2).

22 ***-0266/3.28* SECTION 1584.** 49.453 (8) (b) of the statutes is created to read:

23 49.453 (8) (b) The department shall establish a hardship waiver process that
24 includes all of the following:

1 1. The department determines that undue hardship exists if the application of
2 subs. (2) and (3) would deprive the individual of medical care to the extent that the
3 individual's health or life would be endangered, or would deprive the individual of
4 food, clothing, shelter, or other necessities of life.

5 2. A facility in which an institutionalized individual who has transferred assets
6 resides is permitted to file an application for undue hardship on behalf of the
7 individual with the consent of the individual or the individual's authorized
8 representative.

9 3. The department may, during the pendency of an undue hardship
10 determination, pay the full payment rate under s. 49.45 (6m) for nursing facility
11 services for up to 30 days for the individual who transferred assets, to hold a bed in
12 the facility in which the individual resides.

13 *-0905/3.51* SECTION 1585. 49.46 (1) (a) 5. of the statutes is amended to read:

14 49.46 (1) (a) 5. Any child in an adoption assistance, foster care, ~~kinship care,~~
15 ~~long-term kinship care,~~ treatment foster care, or subsidized guardianship
16 placement under ch. 48 or 938, as determined by the department.

17 *-0330/P6.41* SECTION 1586. 49.46 (1) (a) 14m. of the statutes is amended to
18 read:

19 49.46 (1) (a) 14m. Any person who would meet the financial and other eligibility
20 requirements for home or community-based services under the family care benefit
21 but for the fact that the person engages in substantial gainful activity under 42 USC
22 1382c (a) (3), if a waiver under s. 46.281 (1) (e) (1d) is in effect or federal law permits
23 federal financial participation for medical assistance coverage of the person and if
24 funding is available for the person under the family care benefit.