

Fiscal Estimate - 2009 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 09-4822/2		Introduction Number AB-0995
Description Ratification of the agreement negotiated between the state of Wisconsin and the SEIU Healthcare Wisconsin, for the 2011-13 biennium, covering employees in the home care providers collective bargaining unit, and authorizing an expenditure of funds		
Fiscal Effect		
State:		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate		
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5.Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
Fund Sources Affected		Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Agency/Prepared By	Authorized Signature	Date
DHS/ William Emslie (608) 266-5380	Andy Forsaith (608) 266-7684	12/13/2010

Fiscal Estimate Narratives

DHS 12/13/2010

LRB Number	09-4822/2	Introduction Number	AB-0995	Estimate Type	Original
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Assumptions Used in Arriving at Fiscal Estimate

2009 Bill, LRB draft 4822/2, ratifies the agreement negotiated between the State of Wisconsin and independent home care workers represented by Service Employees International Union (SEIU) Healthcare labor organization.

Act 28, the 2009-11 biennial budget, allowed independent home care workers providing personal care and/or supportive home care in the Family Care, IRIS, and Dane County Medicaid home and community based waiver programs to form a statewide union. In May 2010, these workers elected the SEIU Healthcare to be their exclusive representative.

Under the statutory provisions, the Department of Health Services (DHS) is the employer for purposes of collective bargaining for wages and fringe benefits. DHS began formal collective bargaining talks with SEIU Healthcare in October 2010, and the parties reached a tentative agreement in December on an agreement that would become effective July 1, 2011.

The agreement ensures a minimum hourly wage of \$9.00, starting July 2012, for the home care workers covered in the bargaining unit, excluding certain workers who, by law, may be paid less than minimum wage because they provide "casual employment" or "companion" services as defined in administrative code. Based on current wage rates for these workers and projected growth in the number of workers covered in the bargaining unit, DHS estimates that the agreement will generate an annual cost of \$622,400 AF (\$223,000 GPR, \$399,400 FED) beginning in SFY 13. This estimate assumes a federal Medicaid participation rate of 64.17% for SFY 13, the same rate used in the 2011-13 DHS biennial budget request. The funding to support the agreement will need to be provided in the Medicaid budget for SFY 13, because the workers are paid through one of the Medicaid long-term care programs.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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Description Ratification of the agreement negotiated between the state of Wisconsin and the SEIU Healthcare Wisconsin, for the 2011-13 biennium, covering employees in the home care providers collective bargaining unit, and authorizing an expenditure of funds			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$		\$
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations	622,400		
TOTAL State Costs by Category	\$622,400		\$
B. State Costs by Source of Funds			
GPR	223,000		
FED	399,400		
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>		<u>Local</u>
NET CHANGE IN COSTS	\$622,400		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	
DHS/ William Emslie (608) 266-5380		Andy Forsaith (608) 266-7684	
		Date	
		12/13/2010	