



State of Wisconsin  
2009 - 2010 LEGISLATURE

LRB-1152/P2

RLR:kjf:md

P3

In 1/9/08

Please edit by 1/11 at noon / Submit 1/12

DOA:.....Willing, BAB0002 - Hospital assessment

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1/12 early a.m.

RMR

Don't Gen

1 AN ACT ...; relating to: the budget.

**Analysis by the Legislative Reference Bureau**

This is a preliminary draft. An analysis will be provided in a later version.

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

2 SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert  
3 the following amounts for the purposes indicated:

4 2007-08 2008-09

5 20.435 Health services, department of

6 (4) HEALTH SERVICES PLANNING; REG & DELIVERY; HLTH  
7 CARE FIN; OTHER SUPPORT PGMS

8 (xc) Hospital assessment fund; hospi-

9 tal payments SEG A -0- 275,445,100

1           **SECTION 2.** 20.285 (6) (q) of the statutes is created to read:

2           20.285 (6) (q) *Hospital services*. All moneys transferred from the appropriation  
3 account under s. 20.435 (4) (xc) for hospital services.

\*\*\*\*NOTE: Is this where the \$3 million for UW Hospitals and Clinics is supposed to be transferred as directed in item #1 in the January 5, 2009, drafting instructions? What is the purpose of this appropriation supposed to be? Item #10 in the drafting instructions says for "State Hospital Services." Also, do you want this appropriation to be effective July 1, 2009 regardless of whether the budget is enacted by then (in which case, I need to add a schedule entry), or should it be effective on July 1, 2009, or the effective date of the budget, whichever is later?

INS  
2-4 → 4           **SECTION 3.** 20.435 (4) (gp) of the statutes is repealed.

5           **SECTION 4.** 20.435 (4) (xc) of the statutes is created to read:

6           20.435 (4) (xc) *Hospital assessment fund; hospital payments*. From the hospital  
7 assessment fund, the amounts in the schedule to reimburse hospitals for services  
8 provided under the Medical Assistance Program under subch. IV of ch. 49, make  
9 payments to health maintenance organizations under s. 49.45 (59), provide  
10 supplemental funds to rural hospitals under s. 49.45 (5m) (am), make supplemental  
11 payments to level I adult trauma centers under s. 49.45 (6y) (ap), make supplemental  
12 payments to hospitals based on performance under s. 49.45 (6y) (ar), make refunds  
13 under s. 50.38 (5), and make the transfer under s. 50.38 (7).

INS  
2-13 → 14           **SECTION 5.** 25.77 (11) of the statutes is created to read:

15           25.77 (11) All moneys transferred under s. 27.772 (2).

16           **SECTION 6.** 25.772 of the statutes is created to read:

17           **25.772 Hospital assessment fund. (1) CREATION.** There is established a  
18 separate nonlapsible trust fund designated as the hospital assessment fund, to  
19 consist of all moneys received under s. 50.38 (1) from assessments on hospitals.

20           (2) (a) In this subsection "payment increase" means the difference between  
21 aggregate payments under the Medical Assistance Program under subch. IV of ch.

1 49 for inpatient and outpatient services provided by hospitals, that are required to  
 2 pay the hospital assessment under s. 50.38, in the fiscal year and aggregate  
 3 payments under the Medical Assistance Program for inpatient and outpatient  
 4 services provided by such hospitals in state fiscal year 2006-07.

5 *bold* (2) (b) On June 30 of each state fiscal year, the secretary of administration shall  
 6 transfer from the hospital assessment trust fund to the medical assistance trust fund  
 7 any moneys accruing to the hospital assessment trust fund in the fiscal year in excess  
 8 of the amount, as determined by the secretary of health services, that is equal to the  
 9 state share, under the Medical Assistance Program, of the payment increase for the  
 10 fiscal year. *INS 3-10*

11 **SECTION 7.** 46.27 (9) (a) of the statutes is amended to read:

12 46.27 (9) (a) The department may select up to 5 counties that volunteer to  
 13 participate in a pilot project under which they will receive certain funds allocated for  
 14 long-term care. The department shall allocate a level of funds to these counties  
 15 equal to the amount that would otherwise be paid under s. 20.435 (4) (b), ~~(gp)~~, or (w)  
 16 to nursing homes for providing care because of increased utilization of nursing home  
 17 services, as estimated by the department. In estimating these levels, the department  
 18 shall exclude any increased utilization of services provided by state centers for the  
 19 developmentally disabled. The department shall calculate these amounts on a  
 20 calendar year basis under sub. (10).

21 **SECTION 8.** 46.27 (10) (a) 1. of the statutes is amended to read:

22 46.27 (10) (a) 1. The department shall determine for each county participating  
 23 in the pilot project under sub. (9) a funding level of state medical assistance  
 24 expenditures to be received by the county. This level shall equal the amount that the  
 25 department determines would otherwise be paid under s. 20.435 (4) (b), ~~(gp)~~, or (w)

1 because of increased utilization of nursing home services, as estimated by the  
2 department.

3 **SECTION 9.** 46.275 (5) (a) of the statutes is amended to read:

4 46.275 (5) (a) Medical Assistance reimbursement for services a county, or the  
5 department under sub. (3r), provides under this program is available from the  
6 appropriation accounts under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w). If 2 or more counties  
7 jointly contract to provide services under this program and the department approves  
8 the contract, Medical Assistance reimbursement is also available for services  
9 provided jointly by these counties.

10 **SECTION 10.** 46.275 (5) (c) of the statutes is amended to read:

11 46.275 (5) (c) The total allocation under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w) to  
12 counties and to the department under sub. (3r) for services provided under this  
13 section may not exceed the amount approved by the federal department of health and  
14 human services. A county may use funds received under this section only to provide  
15 services to persons who meet the requirements under sub. (4) and may not use  
16 unexpended funds received under this section to serve other developmentally  
17 disabled persons residing in the county.

18 **SECTION 11.** 46.283 (5) of the statutes is amended to read:

19 46.283 (5) FUNDING. From the appropriation accounts under s. 20.435 (4) (b),  
20 (bm), ~~(gp)~~, (pa), and (w) and (7) (b), (bd), and (md), the department may contract with  
21 organizations that meet standards under sub. (3) for performance of the duties under  
22 sub. (4) and shall distribute funds for services provided by resource centers.

23 **SECTION 12.** 46.284 (5) (a) of the statutes is amended to read:

24 46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), ~~(gp)~~,  
25 (im), (o), and (w) and (7) (b), (bd), and (g), the department shall provide funding on

1 a capitated payment basis for the provision of services under this section.  
2 Notwithstanding s. 46.036 (3) and (5m), a care management organization that is  
3 under contract with the department may expend the funds, consistent with this  
4 section, including providing payment, on a capitated basis, to providers of services  
5 under the family care benefit.

6 SECTION 13. 46.485 (2g) (intro.) of the statutes is amended to read:

7 46.485 (2g) (intro.) From the appropriation ~~accounts~~ account under s. 20.435  
8 (4) (b) ~~and (gp)~~, the department may in each fiscal year transfer funds to the  
9 appropriation under s. 20.435 (7) (kb) for distribution under this section and from the  
10 appropriation account under s. 20.435 (7) (mb) the department ~~may not~~ shall  
11 distribute more than \$1,330,500 in each fiscal year to applying counties in this state  
12 that meet all of the following requirements, as determined by the department:

13 SECTION 14. 49.45 (2) (a) 17. of the statutes is amended to read:

14 49.45 (2) (a) 17. Notify the governor, the joint committee on legislative  
15 organization, the joint committee on finance and appropriate standing committees,  
16 as determined by the presiding officer of each house, if the appropriation ~~accounts~~  
17 account under s. 20.435 (4) (b) ~~and (gp)~~ are is insufficient to provide the state share  
18 of medical assistance.

19 SECTION 15, <sup>create A.R. 7 ✓</sup> 49.45 (5m) (am) of the statutes is amended to read:

20 49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriation accounts  
21 under s. 20.435 (4) (b), ~~(gp)~~, (o), ~~and (w)~~ and (xc), the department shall distribute not  
22 more than \$2,256,000 in each fiscal year, to provide supplemental funds to rural  
23 hospitals that, as determined by the department, have high utilization of inpatient  
24 services by patients whose care is provided from governmental sources, ~~and to~~  
25 ~~provide supplemental funds to critical access hospitals~~, except that the department

\$ 5,000,000

plain

plain

INS  
5-18

1 may not distribute funds to a rural hospital ~~or to a critical access hospital~~ to the  
2 extent that the distribution would exceed any limitation under 42 USC 1396b (i) (3).

3 **SECTION 16.** 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

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

11 **SECTION 17.** 49.45 (6v) (b) of the statutes is amended to read:

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

18 **SECTION 18.** 49.45 (6x) (a) of the statutes is amended to read:

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

25 **SECTION 19.** 49.45 (6y) (a) of the statutes is amended to read:

INS  
6-2

1           49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriation accounts  
 2 under s. 20.435 (4) (b), (~~gp~~), (o), and (w), the department shall may distribute funding  
 3 in each fiscal year to provide supplemental payment to hospitals that enter into a  
 4 contract under s. 49.02 (2) to provide health care services funded by a relief block  
 5 grant, as determined by the department, for hospital services that are not in excess  
 6 of the hospitals' customary charges for the services, as limited under 42 USC 1396b  
 7 (i) (3). If no relief block grant is awarded under this chapter or if the allocation of  
 8 funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the  
 9 department may distribute funds to hospitals that have not entered into a contract  
 10 under s. 49.02 (2).

11           **SECTION 20.** 49.45 (6y) (am) of the statutes is amended to read:

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

19           **SECTION 21.** 49.45 (6y) (ap) of the statutes is created to read:

20           49.45 (6y) (ap) Notwithstanding sub. (3) (e), from the appropriation accounts  
 21 under s. 20.435 (4) (o) and (xc), the department shall distribute not more than  
 22 \$8,000,000 in each fiscal year as supplemental payments to hospitals that satisfy the  
 23 criteria established by the American College of Surgeons for classification as a Level

24 I adult trauma center →

JNS 7-24A

25           **SECTION 22.** 49.45 (6y) (ar) of the statutes is created to read:

create AR.9

JNS  
7-24B

1           49.45 (6y) (ar) Notwithstanding sub (3) (e), the department may, from the  
2           appropriation account under s. 20.435 (4) (xc), make supplemental payments to  
3           hospitals based on hospital performance, in accordance with a payment methodology  
4           developed by the department.

5           **SECTION 23.** 49.45 (6z) (a) (intro.) of the statutes is amended to read:

6           49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriation  
7           accounts under s. 20.435 (4) (b), (~~gp~~), (o), and (w), the department may distribute  
8           funding in each fiscal year to supplement payment for services to hospitals that enter  
9           into indigent care agreements, in accordance with the approved state plan for  
10          services under 42 USC 1396a, with relief agencies that administer the medical relief  
11          block grant under this chapter, if the department determines that the hospitals serve  
12          a disproportionate number of low-income patients with special needs. If no medical  
13          relief block grant under this chapter is awarded or if the allocation of funds to such  
14          hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department  
15          may distribute funds to hospitals that have not entered into indigent care  
16          agreements. The department may not distribute funds under this subsection to the  
17          extent that the distribution would do any of the following:

18          **SECTION 24.** 49.45 (8) (b) of the statutes is amended to read:

19          49.45 (8) (b) Reimbursement under s. 20.435 (4) (b), (~~gp~~), (o), and (w) for home  
20          health services provided by a certified home health agency or independent nurse  
21          shall be made at the home health agency's or nurse's usual and customary fee per  
22          patient care visit, subject to a maximum allowable fee per patient care visit that is  
23          established under par. (c).

24          **SECTION 25.** 49.45 (24m) (intro.) of the statutes is amended to read:



1           49.45 (24m) (intro.) From the appropriation accounts under s. 20.435 (4) (b),  
2       (~~gp~~), (o), and (w), in order to test the feasibility of instituting a system of  
3       reimbursement for providers of home health care and personal care services for  
4       medical assistance recipients that is based on competitive bidding, the department  
5       shall:

6           **SECTION 26.** 49.45 (52) of the statutes is amended to read:

7           49.45 (52) PAYMENT ADJUSTMENTS. Beginning on January 1, 2003, the  
8       department may, from the appropriation account under s. 20.435 (7) (b), make  
9       Medical Assistance payment adjustments to county departments under s. 46.215,  
10      46.22, 46.23, or 51.42, or 51.437 or to local health departments, as defined in s. 250.01  
11      (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and  
12      (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16. Payment  
13      adjustments under this subsection shall include the state share of the payments.  
14      The total of any payment adjustments under this subsection and Medical Assistance  
15      payments made from appropriation accounts under s. 20.435 (4) (b), (~~gp~~), (o), and (w),  
16      may not exceed applicable limitations on payments under 42 USC 1396a (a) (30) (A).

17          **SECTION 27.** 49.45 (59) of the statutes is created to read:

18          49.45 (59) HEALTH MAINTENANCE ORGANIZATION PAYMENTS TO HOSPITALS. (a) The  
19      department shall, from the appropriation account under s. 20.435 (4) (xc), pay each  
20      health maintenance organization with which it contracts to provide medical  
21      assistance a monthly amount that the health maintenance organization shall use to  
22      make payments to hospitals under par. (b).

23      (b) Health maintenance organizations shall pay all of the moneys they receive  
24      under par. (a) to hospitals within 15 days after receiving the moneys. The  
25      department shall specify in contracts with health maintenance organizations to

that are required to pay assessments under s. 50.38 ✓  
Except as provided under par. (b), ✓

*Except as provided under par. (h),*

*that are required to pay assessments under s. 50.38*

1 provide medical assistance a method that health maintenance organizations shall  
2 use to allocate the amounts received under par. (a) among hospitals based on the  
3 number of discharges from inpatient stays and the number of outpatient visits for  
4 which the health maintenance organization paid <sup>such</sup> a hospital in the previous month  
5 for enrollees who are recipients of medical assistance, except enrollees who receive  
6 medical assistance under s. 49.45 (23). Payments under this paragraph shall be in  
7 addition to any amount that a health maintenance organization is required by  
8 agreement between the health maintenance organization and a hospital to pay the  
9 hospital for providing services to the health maintenance organization's enrollees.

10 (c) Each health maintenance organization that provides medical assistance  
11 shall report to the department each month the amount it paid each hospital under  
12 par. (b) and the percentage of the total payments it made under par. (b) that it paid  
13 to each hospital.

14 (d) Each health maintenance organization that provides medical assistance  
15 shall report monthly to each hospital to which the health maintenance organization  
16 makes payments under par. (b) such information regarding the payments that the  
17 department specifies in its contract with the health maintenance organization to  
18 provide medical assistance.

19 (e) 1. If the department determines that a health maintenance organization  
20 has not complied with a requirement under pars. (b) to (d), the department shall  
21 order the health maintenance organization to comply with the requirement within  
22 15 days after the department's determination of noncompliance.

23 2. The department may terminate a contract with a health maintenance  
24 organization to provide medical assistance if the health maintenance organization  
25 fails to comply with a requirement under pars. (b) to (d).

1           3. The department may audit a health maintenance organization to determine  
2 whether the health maintenance organization has complied with the requirements  
3 under pars. (b) to (d).

*inaccurate  
counting of*

4           (f) The department shall specify in contracts with health maintenance  
5 organizations to provide medical assistance the method for adjusting payments  
6 under par. (b) to correct a health maintenance organization's failure to count  
7 inpatient discharges or outpatient visits in calculating a monthly payment to a  
8 hospital under par. (b).

*failure to count*

\*\*\*NOTE: Should the department also specify a method to correct overcounting of  
inpatient discharges or outpatient visits?

9           (g) If a health maintenance organization and hospital do not agree on the  
10 amount of a monthly payment that the health maintenance organization is required  
11 to pay the hospital under par. (b), either the health maintenance organization or the  
12 hospital, within 6 months after the first day of the month in which the payment is  
13 due, may request that the department determine the amount of the payment. The  
14 department shall determine the amount of the payment within 60 days after the  
15 request for a determination is made. The health maintenance organization or  
16 hospital is, upon request, entitled to a contested case hearing under ch. 227 on the  
17 department's determination.

*INS  
11-17*

18           **SECTION 28.** 49.472 (6) (a) of the statutes is amended to read:

19           49.472 (6) (a) Notwithstanding sub. (4) (a) 3., from the appropriation account  
20 under s. 20.435 (4) (b), ~~(g)~~, or (w), the department shall, on the part of an individual  
21 who is eligible for medical assistance under sub. (3), pay premiums for or purchase  
22 individual coverage offered by the individual's employer if the department

1 determines that paying the premiums for or purchasing the coverage will not be more  
2 costly than providing medical assistance.

3 **SECTION 29.** 49.472 (6) (b) of the statutes is amended to read:

4 49.472 (6) (b) If federal financial participation is available, from the  
5 appropriation account under s. 20.435 (4) (b), ~~(gp)~~, or (w), the department may pay  
6 medicare Part A and Part B premiums for individuals who are eligible for medicare  
7 and for medical assistance under sub. (3).

8 **SECTION 30.** 49.473 (5) of the statutes is amended to read:

9 49.473 (5) The department shall audit and pay, from the appropriation  
10 accounts under s. 20.435 (4) (b), ~~(gp)~~, and (o), allowable charges to a provider who is  
11 certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who  
12 meets the requirements under sub. (2) for all benefits and services specified under  
13 s. 49.46 (2).

14 **SECTION 31.** 50.38 of the statutes is created to read:

15 **50.38 Hospital assessment.** (1) Except as provided in sub. (4), for the  
16 privilege of doing business in this state, there is imposed on each hospital an  
17 assessment each state fiscal year that is equal to a uniform percentage, determined  
18 under sub. (2), of the hospital's gross patient revenues, as indicated on the annual  
19 hospital fiscal survey and verified by the department.

20 (2) The department shall establish the percentage under sub. (1) so that the  
21 total amount of assessments collected under this section in a state fiscal year is equal  
22 to the amount in the schedule under s. 20.005 (3) for the appropriation under s.  
23 20.435 (4) (xc) for that fiscal year.

24 (3) Each hospital shall pay the annual assessment in 4 equal amounts that are  
25 due by September 30, December 31, March 31, and June 30 of each year.

JNS  
13-3

JNS  
13-6

or encumbered

1 (4) (a) The requirement to pay an annual assessment under this section does  
2 not apply to an institution for mental diseases, as defined in s. 46.011 (1m), or a  
3 critical access hospital.

4 (b) The department may on the basis of a hospital's hardship waive the  
5 requirement for a hospital to pay the assessment under this section.

6 (5) (a) If the federal government does not provide federal financial  
7 participation under the federal Medicaid program for the total amount of  
8 assessments paid under this section, the department shall refund hospitals the  
9 amount for which the federal government does not provide federal financial  
10 participation.

11 (b) The department shall refund to hospitals any moneys credited to the  
12 appropriation account under s. 20.435 (4) (xc) in a state fiscal year that are not  
13 expended by December 31 of that year. June 30

\*\*\*\*NOTE: Is December 31 the correct date?

14 (c) The department shall allocate any refund under this subsection to hospitals  
15 in proportion to the percentage of the total assessments collected under sub. (1) that  
16 each hospital paid.

17 (6) By January 1 of each year the department shall report to the joint  
18 committee on finance all of the following information for the state fiscal year ending  
19 the previous June 30:

20 (a) The amount each hospital paid under sub. (1).

21 (b) The amounts the department paid each health maintenance organization  
22 under s. 49.45 (59) (a).

23 (c) The total amounts that each hospital received from health maintenance  
24 organizations under s. 49.45 (59) (b).

1 (d) The total amount of payment increases the department made, in connection  
2 with implementation of the hospital assessment under sub. (1), for inpatient and  
3 outpatient hospital services that are reimbursed on a fee-for-service basis.

4 (7) Beginning July 1, 2009, in each state fiscal year, by December 30, the  
5 department shall transfer \$3,000,000 from the appropriation account under s.  
6 20.435 (4) (xc) to the appropriation account under s. 20.285 (6) (q).

7 **SECTION 32.** 50.389 of the statutes is renumbered 50.377.

8 **SECTION 33.** 146.99 of the statutes is repealed.

9 **SECTION 9122. Nonstatutory provisions; Health Services.**

10 (1) HOSPITAL ASSESSMENT.

11 (a) *Assessment payment deadlines.* Notwithstanding section 50.38 (3), as  
12 created by this act, hospitals shall pay the assessment for state fiscal year 2008-09  
13 that is required under section 50.38 (1) of the statutes, as created by this act, in 2  
14 equal amounts. Hospitals shall make the first payment by March 31, 2009, or 10  
15 days after the effective date of this paragraph, whichever is later. Hospitals shall  
16 make the 2nd payment by June 30. → INS 14-16

17 (b) *Medical assistance hospital rate and weight schedules.* 1. The inpatient and  
18 outpatient hospital diagnosis related groupings rate and weight schedules  
19 established by the department of health services for state fiscal year 2008-09 shall  
20 be the same as the schedules established for state fiscal year 2007-08.

21 2. Notwithstanding subdivision 1., the department of health services may, for  
22 fiscal year 2008-09, make fee-for-service payments to hospitals under the Medical  
23 Assistance Program, except the program under s. 49.45 (23) of the statutes, that  
24 exceed the payments calculated using the inpatient and outpatient hospital  
25 diagnosis related groupings rate and weight schedules for state fiscal year 2008-09.

INS  
14-6  
Create  
auto  
text  
1b

\*\*\*\*NOTE: My understanding of the request is that DHS wants language that tells private entities (an HMO and a hospital) how to interpret language in a contract between those entities. I presume that some of these contracts may be preexisting contracts. Does the above language address the department's concern without interfering with private contracts?

INS  
15-1

**SECTION 9322. Initial applicability; Health Services.**

Payment  
Rate

(1) MEDICAL ASSISTANCE FEE-FOR-SERVICE HOSPITAL RATE INCREASES.

increases under the Medical Assistance Program for inpatient and outpatient hospital services reimbursed on a fee-for-service basis that are made in connection with implementation of the hospital assessment under section 50.38 of the statutes, as created by this act, first apply to services provided on July 1, 2008.

#  
CS  
and (xd) (by SECTION A.R.6)

**SECTION 9422. Effective dates; Health Services.**

(by SECTION A.R.7)

(1) HOSPITAL ASSESSMENT. The treatment of sections 20.285 (6) (q), 20.435 (4) (gp), 46.27 (9) (a) and (10) (a) 1., 46.275 (5) (a) and (c), 46.283 (5), 46.284 (5) (a), 46.485 (2g) (intro.), 49.45 (2) (a) 17., (5m) (am), (6m) (ag) (intro.), (6v) (b), (6x) (a), (6y) (a), (am), and (ap), (6z) (a) (intro.), (8) (b), (24m) (intro.), and (52), 49.472 (6) (a) and (b), 49.473 (5), and 146.99 of the statutes takes effect on July 1, 2009.

FNS  
15-12

(by SECTION A.R.8), and (ar) (by SECTION A.R.9)

(END)

section 49.45 (3)(e)11. of the statutes, as created by this act,

2009-2010 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-1152/P3ins  
RLR:.....

1           **Ins 2-4:**

                  \*\*\*\*NOTE: Apparently DHS is still working on the purpose language for 20.285 (6)  
(q). ✓

2

3

**Ins 2-13:**

*Create A.R. 6*

4

**SECTION 1.** 20.435 (4) (xd) of the statutes is created to read: ✓

5

20.435 (4) (xd) *Fiscal year 2008-09 hospital refunds.* From the hospital

6

assessment trust fund, a sum sufficient to make refunds to hospitals under 2009

7

Wisconsin Act .... (this act), section <sup>9122</sup> ~~9122~~ *A.R. (1b) + (1c)*

                  \*\*\*\*NOTE: For state fiscal year 2008-09, DHS wants to extend the deadline  
refunding hospitals unexpended amounts in the appropriation under s. 20.435 (4) (xc).  
Since the unexpended amount will lapse to the hospital assessment trust fund at the end  
of fiscal year 2008-09, the bill creates a temporary appropriation to make the refunds.

*Create  
A.R. 5*

8

**SECTION 2.** 20.435 (4) (xd) of the statutes, as created by 2009 Wisconsin Act ...

9

(this act), is repealed.

10

11

12

**Ins 3-10:**

*not*

13

that remain in the hospital assessment fund after payments required under s.

14

49.45 (3) (e) 11. are made and after any refunds required under s. 50.38 (5) or 2009

15

Wisconsin Act ... (this act), section <sup>9122</sup> ~~9122~~ are made.

*A.R. (1b) A.R. (1c)*

16

17

18

**Ins 5-18:**

                  \*\*\*\*NOTE: Do you want to add a reference to s. 20.435 (4) (xc), and to any other  
appropriations, in s. 49.45 (2) (a) 17.? Or perhaps refer generally to the appropriation  
accounts from which the state share of MA is funded?



1           ~~SECTION 3.~~ 49.45 (3) (e) 8. of the statutes is repealed.

2           ~~SECTION 4.~~ 49.45 (3) (e) 11. of the statutes is created to read:

3           49.45 (3) (e) 11. Beginning in state fiscal year 2008-09, the department shall  
4 use moneys collected under s. 50.38 to increase aggregate payments, over the  
5 amounts paid for state fiscal year 2007-08, for hospital services provided under the  
6 Medical Assistance Program under this subchapter to those hospitals that are  
7 required to pay an assessment under s. 50.38. For state fiscal year 2008-09, total  
8 payments under this subdivision shall equal the amount collected under s. 50.38 for  
9 fiscal year 2008-09 divided by 57.75 percent. For each state fiscal year after state  
10 fiscal year 2008-09, total payments under this subdivision shall equal the amount  
11 collected under s. 50.38 for the fiscal year divided by 61.68 percent.

12  
13

14           **Ins 6-2:**

15           ~~SECTION 5.~~ 49.45 (5m) (am) of the statutes, as affected by 2009 Wisconsin Act

16           ... (this act), is amended to read:

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

**History:** 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107,

112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109; 2003 a. 33, 318, 321; 2005 a. 22; 2005 a. 25 ss. 1120 to 1149f, 2503 to 2510; 2005 a. 107, 165, 253, 254, 264, 301, 340, 386, 441; 2007 a. 20 ss. 1513 to 1559h, 9121 (6) (a); 2007 a. 90, 97, 104, 141, 153.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

**Ins 7-24A:**

*not*

, except that the department shall not make payments that exceed limitations based on customary charges under 42 USC 1396b (i) (3)

**Ins 7-24B:**

*create A.R. 3*

**SECTION 6.** 49.45 (6y) (ap) of the statutes, as created by 2009 Wisconsin Act ...  
(this act), is repealed.

**Ins 8-4A:**

*not*

except that the department shall not make payments that exceed limitations based on customary charges under 42 USC 1396b (i) (3)

**Ins 8-4B:**

*create A.R. 4*

**SECTION 7.** 49.45 (6y) (ar) of the statutes, as created by 2009 Wisconsin Act ...  
(this act), is repealed.

**Ins 11-17:**

(h) Paragraphs (a) to (d) do not apply after June 30, 2013.

**Ins 13-3:**

*no changes*

1 (b) At the discretion of the department, a hospital that is unable to make  
 2 a payment by a date specified under sub. (3) may be allowed to make a delayed  
 3 payment. A determination by the department that a hospital may not make a  
 4 delayed payment under this subsection is final and is not subject to review under ch.  
 5 227.

**Ins 13-6**

*no \$*

9 If the federal government does not provide federal financial participation under  
 10 the federal Medicaid program for amounts collected under this section that are used  
 11 to make increased payments to hospitals that are reimbursed on a fee-for-services  
 12 basis or to make payments under s. 49.45 (59), the department shall refund hospitals  
 13 the amount for which the federal government does not provide federal financial  
 14 participation.

**Ins 14-6:**

17 (7) In each state fiscal year, beginning with state fiscal year 2008-09 and  
 18 ending with state fiscal year 2012-13, the department shall transfer \$3,000,000 from  
 19 the appropriation account under s. 20.435 (4) (xc) to the appropriation account under  
 20 s. 20.285 (6) (q).

21 (8) Notwithstanding sub. (1) to (3), no assessments shall be collected under this  
 22 section after June 30, 2013.

**Ins 14-16:**

1 At the discretion of the department of health services, a hospital that is unable  
 2 timely to make a payment by a date specified under this paragraph may be allowed  
 3 to make a delayed payment. A determination by the department that a hospital may  
 4 not make a delayed payment under this paragraph is final and is not subject to  
 5 review under chapter 227 of the statutes.

**Ins 15-1:**

6  
 7  
 8  
 9 ~~#~~ Refunds for state fiscal year 2008-09. By December 31, 2009, the  
 10 department of health services shall refund to hospitals, in the manner provided under section 50.38 (5)  
 11 (c) of the statutes, as created by this act, the amount, as determined by the secretary  
 12 of administration, that reverted to the hospital assessment trust fund from the  
 13 appropriation account under 20.435 (4) (xc) at the end of the 2008-09 state fiscal year  
 14 as provided under s. 20.001 (3) (a).

15 ~~#~~ Independent rural hospital supplement. In state fiscal year 2008-09, from  
 16 the appropriation account under section 20.435 (4) (b) of the statutes, the  
 17 department of health services shall pay independent, rural, hospitals that are in counties that border  
 18 another state and that are not critical access hospitals one of the following amounts:

19 ~~#~~ If the percentage of the hospital's gross patient revenue that is attributable  
 20 to the Medical Assistance Program under subchapter IV of chapter 49 of the statutes  
 21 is less than 7 percent, \$250,000.

22 ~~#~~ If the percentage of the hospital's gross patient revenue that is attributable  
 23 to the Medical Assistance Program under subchapter IV of chapter 49 of the statutes  
 24 is 7 to 14 percent, \$500,000.

\*  
 LPS:  
 changes  
 text treats  
 to NS par  
 NS-subd

these  
 Create  
 AR 1c

percent

X <sup>percent</sup> <sup>2.</sup>  
 \*\*\*\*NOTE: Is the gross patient revenue attributable to MA more than 14 percent for any hospital that qualifies for this supplement? Should subdivision ~~to~~ say in excess of 7 percent instead of 7 to 14 percent?

1 ~~(b)~~ <sup>✓</sup> *Budgeting practices*. This act does not affect any requirements under  
 2 section 16.46 of the statutes as they relate to the review and reestimate of, and  
 3 request for, general purpose revenues for hospital payments under the Medical  
 4 Assistance Program <sup>✓</sup> under subchapter <sup>✓</sup> IV of chapter <sup>✓</sup> 49 of the statutes.

**Ins 15-12:**

CPS: change to NS 9 par

8  
 9 ~~(b)~~ <sup>✓</sup> The treatment of section 20.435 (4) (xd) <sup>✓</sup> (by SECTION <sup>✓</sup> ) of the statutes takes  
 10 effect on June 30, 2010. <sup>A.R. 5</sup>

11 ~~(c)~~ <sup>✓</sup> The treatment of sections 49.45 (5m) (am) <sup>✓</sup> (by SECTION <sup>✓</sup> ), 49.45 (6y) (ap)  
 12 (by SECTION <sup>✓</sup> ) and (ar) <sup>✓</sup> (by SECTION <sup>✓</sup> ) of the statutes takes effect on June 30, 2013. <sup>A.R. 2</sup>

<sup>AR 3</sup>  
<sup>AR 4</sup>

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

Call from Kustn

Allow DITS to take  $\frac{1}{2}$  %  
for admin

transfer from (4)(xc) to (4)(5m)

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

Call to Kuota 1/13/09

/P3

Transfer to MA trust fund doesn't  
work - nothing left to transfer

**Ryan, Robin**

---

**From:** Willing, Krista - DOA [Krista.Willing@wisconsin.gov]  
**Sent:** Tuesday, January 13, 2009 2:45 PM  
**To:** Ryan, Robin  
**Subject:** RE: hosp asses

We would like to transfer the entire remaining amount to the MA trust fund and then create a new State Ops (Biennial) appropriation for the 1/2 percent from the MA Trust Fund for Admin.

The June 30<sup>th</sup> date should be fine. Let me know if any of this doesn't make sense. Thanks,  
Krista

---

**From:** Ryan, Robin [mailto:Robin.Ryan@legis.wisconsin.gov]  
**Sent:** Tuesday, January 13, 2009 2:24 PM  
**To:** Willing, Krista - DOA  
**Subject:** hosp asses

Krista, you asked that I transfer 1/2 percent of the money that remains in the hospital assessment fund to s. 20.435 (4) (bm). I can't transfer money from a segregated fund to an appropriation account, I would need to appropriate it. Do you want to create a new appropriation from the hospital assessment fund for the 1/2 percent amount. Or, you could transfer the entire remaining amount to the MA trust fund, and appropriate the 1/2 percent from the MA trust fund.

Also, in the bill, the remainder isn't determined and transferred to the MA trust fund until June 30th. So the 1/2 percent of the remainder wouldn't be available until June 30th? Is that ok. Is the 1/2 percent supposed to be spent in the one final day of the fiscal year, or is it for the following fiscal year?



1/14/08

LRB-1152

meeting w/ Jim Johnston, Rich Albertoni (DHS)  
& Krista Willing

Based on /P3

MA transfer before refund

p. 5 yes - can elim. provision on reporting  
but d-note why

p 5-6 make clear that all mt payments

p. 17 - Budgeting practices  
DHS to continue to estimate  
money needed & to request it.

p. 5-6 going to use money in HAF  
to make payments = to this amount  
- no reference to 07-08

transfer to mt trust fund -  
then anything left goes to  
hosps as refunds

Don't like one year sum-certain  
approp. to refund hosps when  
revenue 08-09 - Instead  
just carry forward like  
20.437 (1) (5)

No dates for transfers - except  
Refund of remainder in (1) (xc)

to hospitals

Admin approp. - biennial =  $\frac{1}{2}$  %  
of transfers to MA trust fund

use 07/4081 p. 14 L 6  
for gross patient revenue - i.e.,  
as reported under 153.46  
of "determined" by DHS

psych hospitals exempted  
based on DQA provider type

work on DRG schedule non-Stat

From Jim 1/14/09

**STATE OF WISCONSIN  
DEPARTMENT OF HEALTH SERVICES  
PROPOSED ASSESSMENT RATE INCREASES AND TAX BASE  
Printed January 9, 2009**

Assessment Models	SFY 2009	SFY 2010	SFY 2011
Inpatient FFS UPL	\$479,388,961	\$507,772,016	\$540,150,880
IP UPL Reserve	\$14,381,669	\$15,233,160	\$16,204,526
Withold for rural hospital adjustment	\$0	\$2,400,000	\$2,400,000
Withold for pay for performance	\$5,000,000	\$5,000,000	\$5,000,000
<b>Base Funding for Inpatient Rates</b>	<b>\$340,000,000</b>	<b>\$352,580,000</b>	<b>\$365,625,460</b>
Inpatient FFS Projected Rate Increase	\$125,007,292	\$139,958,856	\$158,320,894
Funds to withhold from Supplemental Payments	\$5,000,000	\$7,400,000	\$7,400,000
Net Inpatient FFS Projected Rate Increase	\$120,007,292	\$132,558,856	\$150,920,894
Inpatient FFS Discharges	43,827	45,446	47,125
Inpatient Payment Increase per Discharge	\$2,738	\$2,917	\$3,203
Inpatient MCO Projected Rate Increase	\$133,142,459	\$147,076,241	\$167,458,117
Inpatient MCO Discharges	48,624	50,423	52,289
Inpatient MCO Rate Increase/Discharge	\$2,738	\$2,917	\$3,203
<b>FY09 outpatient FFS UPL</b>	<b>\$177,939,332</b>	<b>\$184,523,087</b>	<b>\$191,350,441</b>
OP UPL Reserve	\$10,000,000	\$10,000,000	\$10,000,000
FY09 Outpatient base funding	\$81,500,000	\$84,515,500	\$87,642,574
Outpatient FFS Projected Rate Increase	\$86,439,332	\$90,007,587	\$93,707,868
Withold for Trauma Supplement	\$0	\$8,000,000	\$8,000,000
Outpatient FFS Projected Rate Increase	\$86,439,332	\$82,007,587	\$85,707,868
Outpatient FFS Visits	370,677	384,392	398,614
Outpatient Payment Increase per Visit	\$233.19	\$213.34	\$215.01
Outpatient MCO Projected Rate Increase	\$132,372,083	\$125,585,382	\$131,252,111
Outpatient MCO Visits	567,650	588,653	610,433
Outpatient MCO Rate Increase/visit	\$233.19	\$213.34	\$215.01
Total Projected Rate Increase*	\$476,961,165	\$502,628,066	\$550,738,990
State Share Needed for Rate Increases	\$195,840,254	\$201,051,227	\$217,872,344
UW Uncompensated Care	\$0	\$3,000,000	\$3,000,000
Border Status Rural Acute Care Hospital Supplement	\$750,000	\$0	\$0
Medicaid Reinvestment	\$78,854,818	\$104,469,765	\$117,323,465
DHS Funding for Existing Tax	\$0	\$1,500,000	\$1,500,000
Tax Requirement	\$275,445,073	\$310,020,991	\$339,695,809
Net Benefit to Hospitals	\$202,266,092	\$195,607,075	\$214,043,181
DHS Reinvestment Percentage	16.53%	20.78%	21.30%
Tax amount as a percentage of increase in rates	57.75%	61.68%	61.68%
Tax Percentage as a percent of FY06 Gross Patient Revenue	1.2768%	1.4371%	1.5747%
Inpatient % of FFS Cost	90.86%	89.17%	87.09%
Outpatient % of FFS Cost	99.48%	95.17%	88.69%

State share = 411.06  
115,000

total

\*Rate increase amounts for SFY 2009 do not include the rural border independent hospital Supplement and SFY 2010 & 2011 does not include UW Supplement but does include the P4P and Rural Tier 2 funding.

Total Revenue	\$669,008,945	\$767,552,478	\$851,101,640
Fed Match	\$393,563,872	\$457,531,487	\$511,405,831
	\$669,008,945		
Childless Adults GPR	\$ 5,210,300	\$ 22,567,100	\$ 42,205,900
MA General GPR	\$73,644,518	\$81,902,665	\$75,117,565
All Funds Childless Adults	\$ 12,689,479	\$ 56,417,750	\$ 106,688,322
All Funds General MA	\$179,358,301	\$204,756,662	\$189,882,620
	\$ -	\$ -	\$ -
FED Childless Adults	\$ 7,479,179	\$ 33,850,650	\$ 64,482,422
FED General MA	\$105,713,783	\$122,853,997	\$114,765,056

From Jim  
1/14/09

psych hosp

Section 2 New UW appropriation

Still waiting for clarification

Section 5 New appropriation 20.435 94)(xd)

Why do we need a new appropriation? We have other annual appropriations that allow funds to be retained until the following December - for examples check under s.20.437(1)(b),(bc) and (cd).

Section 8 Hospital Assessment Fund- Sequential order of transfers and refunds.

I think we want to make the transfer to the MA Trust Fund before refunding left over monies. Or at least calculate the amount to transfer based on federal approvals and actual access payments made. I am concerned that the language as writing might refund the monies first, thus precluding any transfer.

Section 16 Note

No we do not wish to add the new SEG appropriation to the reporting requirement.

Delete section

Section 18

It is clear that the assessment revenues can be used to reimburse hospitals under both the FFS and managed care payment systems?

Section 38

s.50.38 (1) Clarify that the department will determine the assessment amount using the hospital fiscal survey

s.50.38 (4) The requirement to pay an annual assessment does not apply to critical access hospitals or to separately licensed, non-satellite, general, psychiatric hospitals.

not a sat. of an acute care hosp.

**From:** Willing, Krista - DOA  
**Sent:** Wednesday, January 14, 2009 10:20 AM  
**To:** Johnston, James - DHS  
**Subject:** HOSPITAL ASSESSMENT and transfer  
**Importance:** High

Jim,

The problem we are currently having with the Hospital Assessment draft is making sure the money gets transferred to the MA trust fund. It may be that the current draft takes care of this, but Robin thinks it doesn't. Her concern is that under the way it is currently drafted, there won't be any money left in the HTF to transfer to the MATF. Here is her idea for fixing it. If she doesn't hear from you by 11, she is going to start drafting it this way to keep things moving. I think we are hoping to have a draft done today.

**Ryan, Robin**

---

**From:** Johnston, James - DHS [James.Johnston@dhs.wisconsin.gov]  
**Sent:** Wednesday, January 14, 2009 1:36 PM  
**To:** Ryan, Robin  
**Cc:** Willing, Krista - DOA; Albertoni, Richard S - DHS  
**Subject:** RE: HOSPITAL ASSESSMENT and transfer

FYI

These are my pre-meeting notes on the sections we discussed today.

Section 2 New UW appropriation

Still waiting for clarification

Section 5 New appropriation 20.435 94)(xd)

Why do we need a new appropriation? We have other annual appropriations that allow funds to be retained until the following December - for examples check under s.20.437(1)(b),(bc) and (cd).

Section 8 Hospital Assessment Fund- Sequential order of transfers and refunds.

I think we want to make the transfer to the MA Trust Fund before refunding left over monies. Or at least calculate the amount to transfer based on federal approvals and actual access payments made. I am concerned that the language as writing might refund the monies first, thus precluding any transfer.

Section 16 Note

No we do not wish to add the new SEG appropriation to the reporting requirement.

Section 18

It is clear that the assessment revenues can be used to reimburse hospitals under both the FFS and managed care payment systems?

Section 38

s.50.38 (1) Clarify that the department will determine the assessment amount using the hospital fiscal survey

s.50.38 (4) The requirement to pay an annual assessment does not apply to critical access hospitals or to separately licensed, non-satellite, general, psychiatric hospitals.

---

**From:** Willing, Krista - DOA  
**Sent:** Wednesday, January 14, 2009 10:20 AM  
**To:** Johnston, James - DHS  
**Subject:** HOSPITAL ASSESSMENT and transfer  
**Importance:** High

Jim,

01/14/2009

Kuota 11/15/09

(1) UW transfer starts 09-10, right?  
I have it earlier in 1P3  
yes - start 09-10

(2) Transfer to mt after hosp  
payment in a  
§ after UW transfer, right?  
yes

(3) Need to transfer money to (4) (5)  
for unal hosp?   
No

(4) Jim's chart shows 1.5 mel  
from current assessment  
Relevant?

No

Michelle will send  
further e-mail

**Ryan, Robin**

**From:** Willing, Krista - DOA [Krista.Willing@wisconsin.gov]  
**Sent:** Thursday, January 15, 2009 2:29 PM  
**To:** Ryan, Robin  
**Subject:** Changes to the Hospital Assessment Draft Related to Appropriations  
**Importance:** High  
**Attachments:** image001.gif; image002.gif; image003.gif; Hospital Assessment Appropriation Changes.xls

Hi Robin,

Here are the changes I mentioned for the hospital assessment. Please let me know if you have any questions, or any of this doesn't make sense.

Thanks,  
 Krista

Please see the attached worksheet for an explanation of the payments and transfers associated with the hospital assessment. There are some changes that need to be made to the draft in order to make sure the payments happen as planned.

1. The total amount of payments made to hospitals from the Hospital trust fund is \$195,840,300 in FY 09, \$201,051,200 in FY 10 and \$217,927,400 in FY 13. This total should include the FFS supplement (general, across-the-board increase), the managed care supplement under 49.45(59), the trauma supplement under 49.45(6y)(ap), pay-for-performance under 49.45(6y)(ar) and the rural supplement under 49.45(5m)(am). Because 49.45(3)(e) references the amount collected, all of these payments should be included in 49.45(3)(e). *So just not*
2. The revenue collected in the assessment references the amounts in the schedule for 435(4)(xc), so section 4 must include the transfer to the MA trust fund under 25.77(2). The total appropriation for 4xc should be \$275,445,100 in FY 09, \$310,021,000 in FY 10 and \$339,695,800 in FY 11.
3. The amount of the transfer to 435(4)(w) should be 99.5% of the transfer from the Hospital trust fund to the MA trust fund, which equals \$79,206,800 in FY 09, \$108,424,900 in FY 10 and \$121,159,500 in FY 11. *Approp increase*
4. Create a state operations appropriation in the MA trust fund to receive .5% of the transfer from the Hospital trust fund, which equals \$398,000 in FY 09, \$544,900 in FY 10 and \$608,800 in FY 11.
5. The amount of GPR in 435(4)(b) should be written down by \$78,456,800 in FY 09 and by \$85,000,000 in both FY 10 and 11.
6. The amount of FED in 435(4)(o) should be increased by \$282,768,900 in FY 09, \$333,031,500 in FY 10 and \$388,963,000 in FY 11.
7. The amount of FED in 435(4)(n) should be increased by \$398,000 in FY 09, \$544,900 in FY 10 and \$608,800 in FY 11.
8. The transfer to UW Hospital under 50.38(7) should be paid from 20.435(4)(w) - the MA trust fund - and not 20.435(4)(xc). The transfer does not begin until FY 10 so it should be made in FYs 10, 11, 12 and 13.
9. In Section 9122, 2(d) of the non-statutory language, the independent rural hospital supplement should be paid from 435(4)(b) and 435(4)(o), just in case the department can match this with FED. *\* maybe just (b)*
10. Can we remove the date when DOA will transfer from the Hospital trust fund to the MA trust fund. Can it just state that it should occur in each fiscal year? *- yes already did*

I think that's it. Please let me know if you have questions.

Michelle Gauger  
 608-266-3420

*275,445,100  
 195,840,300  
 79,604,800*

*78,456,800  
 78,000,000  
 79,206,800*

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

Kuoba 1/15/09

In 1P3

Description of assess amt  
that will refund if no fed  
match [SO 38 (5) (a)] is  
fine.