

SECTION 1145f. 40.05 (1) (a) 1. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

40.05 (1) (a) 1. For each participating employee not otherwise specified, a percentage of each payment of earnings equal to one-half of the total actuarially required contribution rate, as approved by the board under s. 40.03 (1) (e).

SECTION 1145h. 40.05 (1) (a) 2. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

40.05 (1) (a) 2. For each participating employee whose formula rate is determined under s. 40.23 (2m) (e) 2., a percentage of each payment of earnings equal to one-half of the total actuarially required contribution rate, as approved by the board under s. 40.03 (1) (e).

SECTION 1145j. 40.05 (1) (a) 3. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

40.05 (1) (a) 3. For each participating employee whose formula rate is determined under s. 40.23 (2m) (e) 3., the percentage of earnings paid by a participating employee under subd. 1.

SECTION 1145L. 40.05 (1) (a) 4. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

40.05 (1) (a) 4. For each participating employee whose formula rate is determined under s. 40.23 (2m) (e) 4., the percentage of earnings paid by a participating employee under subd. 1.

SECTION 1145n. 40.05 (1) (b) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

40.05 (1) (b) 1. Except as otherwise provided in a collective bargaining agreement entered into under subch. IV or V of ch. 111 and except as provided in subd. 2., an employer may not pay, on behalf of a participating employee, any of the contributions required by par. (a). The contributions required by par. (a) shall be made by a reduction in salary and, for tax purposes, shall be considered employer contributions under section 414 (h) (2) of the Internal Revenue Code. A participating employee may not elect to have contributions required by par. (a) paid directly to the employee or make a cash or deferred election with respect to the contributions.

2. a. A municipal employer shall pay, on behalf of a nonrepresented law enforcement or fire fighting managerial employee or a nonrepresented managerial employee described in s. 111.70 (1) (mm) 2., who was initially employed by the municipal employer before the effective date of this subd. 2. a. [LRB inserts date], the same contributions required by par. (a) that are paid by the municipal employer for represented law enforcement or fire fighting personnel or personnel described in s. 111.70 (1) (mm) 2. who were initially employed by the municipi-

pal employer before the effective date of this subd. 2. a. [LRB inserts date].

b. An employer shall pay, on behalf of a nonrepresented managerial employee in a position described under s. 40.02 (48) (am) 7. or 8., who was initially employed by the state before the effective date of this subd. 2. b. [LRB inserts date], in a position described under s. 40.02 (48) (am) 7. or 8. the same contributions required by par. (a) that are paid by the employer for represented employees in positions described under s. 40.02 (48) (am) 7. or 8. who were initially employed by the state before the effective date of this subd. 2. b. [LRB inserts date].

c. A municipal employer shall pay, on behalf of a represented law enforcement or fire fighting employee or employee described in s. 111.70 (1) (mm) 2., who was initially employed by the municipal employer before the effective date of this subd. 2. c. [LRB inserts date], and who on or after the effective date of this subd. 2. c. [LRB inserts date], became employed in a nonrepresented law enforcement or fire fighting managerial position or nonrepresented managerial position described in s. 111.70 (1) (mm) 2. with the same municipal employer, or a successor municipal employer in the event of a combined department that is created on or after the effective date of this subd. 2. c. [LRB inserts date], the same contributions required by par. (a) that are paid by the employer for represented law enforcement or fire fighting personnel or personnel described in s. 111.70 (1) (mm) 2. who were initially employed by a municipal employer before the effective date of this subd. 2. c. [LRB inserts date].

SECTION 1145rh. 40.05 (4) (ag) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

40.05 (4) (ag) Except as otherwise provided in a collective bargaining agreement under subch. V of ch. 111, the employer shall pay for its currently employed insured employees:

1. For insured part-time employees other than employees specified in s. 40.02 (25) (b) 2., including those in project positions as defined in s. 230.27 (1), who are appointed to work less than 1,044 hours per year, an amount determined annually by the director of the office of state employment relations under par. (ah).

2. For eligible employees not specified in subd. 1. and s. 40.02 (25) (b) 2., an amount not more than 88 percent of the average premium cost of plans offered in the tier with the lowest employee premium cost under s. 40.51 (6), as determined annually by the director of the office of state employment relations under par. (ah).

SECTION 1145rm. 40.05 (4) (ah) of the statutes is created to read:

40.05 (4) (ah) Annually, the director of the office of state employment relations shall establish the amount

that employees are required to pay for health insurance premiums in accordance with the maximum employer payments under par. (ag).

SECTION 1145s. 40.05 (4) (at) of the statutes is created to read:

40.05 (4) (at) An employer shall pay, on behalf of a nonrepresented managerial employee in a position described under s. 40.02 (48) (am) 7. or 8., who was initially employed by the state before the effective date of this paragraph [LRB inserts date], the same premium contribution rates required by par. (ag) that are paid by the employer for represented employees in positions described under s. 40.02 (48) (am) 7. or 8. who were initially employed by the state before the effective date of this paragraph [LRB inserts date].

SECTION 1146. 40.05 (4) (b) of the statutes is amended to read:

40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10, 238.04 (8), and 757.02 (5) and subch. I, V, or VI of ch. 111 of any eligible employee shall, at the time of death, upon qualifying for an immediate annuity or for a lump sum payment under s. 40.25 (1) or upon termination of creditable service and qualifying as an eligible employee under s. 40.02 (25) (b) 6. or 10., be converted, at the employee's highest basic pay rate he or she received while employed by the state, to credits for payment of health insurance premiums on behalf of the employee or the employee's surviving insured dependents. Any supplemental compensation that is paid to a state employee who is classified under the state classified civil service as a teacher, teacher supervisor, or education director for the employee's completion of educational courses that have been approved by the employee's employer is considered as part of the employee's basic pay for purposes of this paragraph. The full premium for any eligible employee who is insured at the time of retirement, or for the surviving insured dependents of an eligible employee who is deceased, shall be deducted from the credits until the credits are exhausted and paid from the account under s. 40.04 (10), and then deducted from annuity payments, if the annuity is sufficient. The department shall provide for the direct payment of premiums by the insured to the insurer if the premium to be withheld exceeds the annuity payment. Upon conversion of an employee's unused sick leave to credits under this paragraph or par. (bf), the employee or, if the employee is deceased, the employee's surviving insured dependents may initiate deductions from those credits or may elect to delay initiation of deductions from those credits, but only if the employee or surviving insured dependents are covered by a comparable health insurance plan or policy during the period beginning on the date of the conversion and ending on the date on which the employee or surviving insured dependents later elect to initiate deductions from those credits. If an employee or an employee's surviving

insured dependents elect to delay initiation of deductions from those credits, an employee or the employee's surviving insured dependents may only later elect to initiate deductions from those credits during the annual enrollment period under par. (be). A health insurance plan or policy is considered comparable if it provides hospital and medical benefits that are substantially equivalent to the standard health insurance plan established under s. 40.52 (1).

SECTION 1147. 40.05 (4) (bm) of the statutes is amended to read:

40.05 (4) (bm) Except as provided under par. (bp), accumulated unused sick leave under ss. 36.30 and 230.35 (2) ~~or~~, 233.10, or 238.04 (8) of any eligible employee shall, upon request of the employee at the time the employee is subject to layoff under s. 40.02 (40), be converted at the employee's highest basic pay rate he or she received while employed by the state to credits for payment of health insurance premiums on behalf of the employee. Any supplemental compensation that is paid to a state employee who is classified under the state classified civil service as a teacher, teacher supervisor or education director for the employee's completion of educational courses that have been approved by the employee's employer is considered as part of the employee's basic pay for purposes of this paragraph. The full amount of the required employee contribution for any eligible employee who is insured at the time of the layoff shall be deducted from the credits until the credits are exhausted, the employee is reemployed, or 5 years have elapsed from the date of layoff, whichever occurs first.

SECTION 1153. 40.05 (5) (b) 4. of the statutes is amended to read:

40.05 (5) (b) 4. The accrual and crediting of sick leave shall be determined in accordance with ss. 13.121 (4), 36.30, 230.35 (2), 233.10, 238.04 (8), and 757.02 (5) and subch. I, V, or VI of ch. 111.

SECTION 1153d. 40.22 (2) (a) of the statutes is amended to read:

40.22 (2) (a) Except as provided in sub. (2m), the employee was initially employed by a participating employer before the effective date of this paragraph [LRB inserts date], and is not expected to work at least one-third of what is considered full-time employment by the department, as determined by rule.

SECTION 1153h. 40.22 (2) (am) of the statutes is created to read:

40.22 (2) (am) Except as provided in sub. (2r), the employee was initially employed by a participating employer on or after the effective date of this paragraph [LRB inserts date], and is not expected to work at least two-thirds of what is considered full-time employment by the department, as determined by rule.

SECTION 1156. 40.22 (2) (m) of the statutes is amended to read:

40.22 (2) (m) Notwithstanding sub. (3m), the employee was formerly employed by Milwaukee County, is a state employee described in s. 49.825 (4) ~~or (5)~~ or 49.826 (4), and ~~elects to remain is~~ is a covered employee under the retirement system established under chapter 201, laws of 1937, pursuant to s. 49.825 (4) (c) ~~or (5) (c)~~ or 49.826 (4) (c). ~~This paragraph shall not apply if the employee remains a state employee, but is no longer performing services for the Milwaukee County enrollment services unit under s. 49.825 or the child care provider services unit under s. 49.826.~~

SECTION 1156c. 40.22 (2m) (intro.) of the statutes is amended to read:

40.22 (2m) (intro.) An employee who was initially employed by a participating employer before the effective date of this subsection [LRB inserts date], who is not expected to work at least one-third of what is considered full-time employment by the department, as determined by rule, and who is not otherwise excluded under sub. (2) from becoming a participating employee shall become a participating employee if he or she is subsequently employed by the state agency or other participating employer for either of the following periods:

SECTION 1156e. 40.22 (2r) of the statutes is created to read:

40.22 (2r) An employee who was initially employed by a participating employer on or after the effective date of this subsection [LRB inserts date], who is not expected to work at least two-thirds of what is considered full-time employment by the department, as determined by rule, and who is not otherwise excluded under sub. (2) from becoming a participating employee shall become a participating employee if he or she is subsequently employed by the state agency or other participating employer for either of the following periods:

(a) At least one year for at least two-thirds of what is considered full-time employment by the department, as determined by rule, or, for an educational support personnel employee, at least one year for at least two-thirds of what is considered full-time employment for a teacher.

(b) At least 1,200 hours in the immediately preceding 12-month period.

SECTION 1156f. 40.22 (3) (b) of the statutes is renumbered 40.22 (3) (b) 1.

SECTION 1156g. 40.22 (3) (b) 2. of the statutes is created to read:

40.22 (3) (b) 2. The first day after completion of one year of employment for at least two-thirds of what is considered full-time employment by the department, as determined by rule, if the person becomes a participating employee under sub. (2r) after the employer's effective date of participation.

SECTION 1156k. 40.23 (2m) (er) of the statutes is created to read:

40.23 (2m) (er) For a participant who initially becomes a participating employee on or after the effective date of this paragraph [LRB inserts date], all of the following shall apply:

1. If the participant has less than 1 year of creditable service, the annuity amount under par. (e) shall be reduced by 50 percent.

2. If the participant has at least 1 year of creditable service, but less than 2 years of creditable service, the annuity amount under par. (e) shall be reduced by 40 percent.

3. If the participant has at least 2 years of creditable service, but less than 3 years of creditable service, the annuity amount under par. (e) shall be reduced by 30 percent.

4. If the participant has at least 3 years of creditable service, but less than 4 years of creditable service, the annuity amount under par. (e) shall be reduced by 20 percent.

5. If the participant has at least 4 years of creditable service, but less than 5 years of creditable service, the annuity amount under par. (e) shall be reduced by 10 percent.

SECTION 1156p. 40.23 (3) of the statutes is renumbered 40.23 (3) (a) and amended to read:

40.23 (3) (a) ~~The Except as provided in par. (b), the~~ initial monthly amount of any retirement annuity in the normal form shall not be less than the money purchase annuity which can be provided by applying the sum of the participant's accumulated additional and required contributions, including interest credited to the accumulations, plus an amount from the employer accumulation reserve equal to the participant's accumulated required contributions, less any accumulated contributions to purchase other governmental service under s. 40.25 (7), 2001 stats., or s. 40.285 (2) (b) to fund the annuity in accordance with the actuarial tables in effect on the annuity effective date.

SECTION 1156l. 40.23 (3) (b) of the statutes is created to read:

40.23 (3) (b) For a participant who initially becomes a participating employee on or after the effective date of this paragraph [LRB inserts date], all of the following shall apply for purposes of calculating a money purchase annuity under par. (a):

1. If the participant has less than 1 year of creditable service, there shall be no amount from the employer accumulation reserve.

2. If the participant has at least 1 year of creditable service, but less than 2 years of creditable service, the amount from the employer accumulation reserve shall equal 20 percent of the participant's accumulated required contributions.

3. If the participant has at least 2 years of creditable service, but less than 3 years of creditable service, the

amount from the employer accumulation reserve shall equal 40 percent of the participant's accumulated required contributions.

4. If the participant has at least 3 years of creditable service, but less than 4 years of creditable service, the amount from the employer accumulation reserve shall equal 60 percent of the participant's accumulated required contributions.

5. If the participant has at least 4 years of creditable service, but less than 5 years of creditable service, the amount from the employer accumulation reserve shall equal 80 percent of the participant's accumulated required contributions.

SECTION 1156ym. 40.51 (7) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

40.51 (7) (a) Any employer, other than the state, may offer to all of its employees a health care coverage plan through a program offered by the group insurance board. Notwithstanding sub. (2) and ss. 40.05 (4) and 40.52 (1), the department may by rule establish different eligibility standards or contribution requirements for such employees and employers and may by rule limit the categories of employers, other than the state, which may be included as participating employers under this subchapter. Beginning on January 1, 2012, except as otherwise provided in a collective bargaining agreement under subch. IV of ch. 111 and except as provided in par. (b), an employer may not offer a health care coverage plan to its employees under this subsection if the employer pays more than 88 percent of the average premium cost of plans offered in any tier with the lowest employee premium cost under this subsection.

(b) 1. A municipal employer shall pay, on behalf of a nonrepresented law enforcement or fire fighting managerial employee or a nonrepresented managerial employee described in s. 111.70 (1) (mm) 2., who was initially employed by the municipal employer before the effective date of this subdivision [LRB inserts date], the same percentage under par. (a) that is paid by the municipal employer for represented law enforcement or fire fighting personnel or personnel described in s. 111.70 (1) (mm) 2. who were initially employed by the municipal employer before the effective date of this subdivision [LRB inserts date].

2. A municipal employer shall pay, on behalf of a represented law enforcement or fire fighting employee, who was initially employed by the municipal employer before the effective date of this subdivision [LRB inserts date], and who on or after the effective date of this subdivision [LRB inserts date], became employed in a non-represented law enforcement or fire fighting managerial position with the same municipal employer, or a successor municipal employer in the event of a combined department that is created on or after the effective date of this subdivision [LRB inserts date], the same percent-

age under par. (a) that is paid by the municipal employer for represented law enforcement or fire fighting personnel who were initially employed by the municipal employer before the effective date of this subdivision [LRB inserts date].

SECTION 1160. 40.55 (1) of the statutes is amended to read:

40.55 (1) Except as provided in sub. (5), the state shall offer, through the group insurance board, to eligible employees under s. 40.02 (25) (bm) and to state annuitants long-term care insurance policies which have been filed with the office of the commissioner of insurance and which have been approved for offering under contracts established by the group insurance board ~~if the insurer requests that the policy be offered and the~~. The state shall also allow an eligible employee or a state annuitant to purchase those policies for his or her spouse, domestic partner, or parent.

SECTION 1161. 40.62 (2) of the statutes is amended to read:

40.62 (2) Sick leave accumulation shall be determined in accordance with rules of the department, any collective bargaining agreement under subch. I, V, or VI of ch. 111, and ss. 13.121 (4), 36.30, 49.825 (4) (d) and (5) (d), 49.826 (4) (d), 230.35 (2), 233.10, 238.04 (8), 757.02 (5) and 978.12 (3).

SECTION 1163. 40.95 (1) (a) 1. of the statutes is amended to read:

40.95 (1) (a) 1. The employee accrues accumulated unused sick leave under s. 13.121 (4), 36.30, 230.35 (2), 233.10, 238.04 (8), or 757.02 (5).

SECTION 1164. 41.11 (1g) (b) (intro.) of the statutes is amended to read:

41.11 (1g) (b) (intro.) The department, in consultation with the ~~department of commerce~~ Wisconsin Economic Development Corporation, shall do all of the following for each economic development program administered by the department:

SECTION 1165. 41.11 (1r) (title) of the statutes is amended to read:

41.11 (1r) (title) ECONOMIC DEVELOPMENT ASSISTANCE COORDINATION AND REPORTING.

SECTION 1166. 41.11 (1r) of the statutes is renumbered 41.11 (1r) (b) and amended to read:

41.11 (1r) (b) Annually, no later than October 1, the department shall submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing economic development programs, as defined in sub. (1g) (a), administered by the department. The report shall include all of the information required under s. ~~560.04 (2) (am)~~ 238.07 (2). The department shall collaborate with the ~~department of commerce~~ Wisconsin Economic Development Corporation to make readily accessible to the public on an Internet-based system the information required under this subsection.

SECTION 1167. 41.11 (1r) (a) of the statutes is created to read:

41.11 (1r) (a) The department shall coordinate any economic development assistance with the Wisconsin Economic Development Corporation.

SECTION 1167g. 41.11 (6) (c) of the statutes is amended to read:

41.11 (6) (c) In each biennium, at least \$50,000 for grants to ~~America's Black Holocaust Museum in the city of Milwaukee to conduct or contract for marketing to promote multicultural events taking place in Wisconsin.~~

SECTION 1167h. 41.11 (6) (d) of the statutes is amended to read:

41.11 (6) (d) In each biennium, at least \$200,000 for grants to the Milwaukee Public Museum for ~~Native American~~ to promote exhibits and activities at the Milwaukee Public Museum.

SECTION 1168. 41.41 (4) (c) of the statutes is amended to read:

41.41 (4) (c) The department of agriculture, trade and consumer protection, the department of natural resources, the department of transportation, ~~the department of commerce,~~ the department of administration, the state historical society, and the University of Wisconsin-Extension shall cooperate with and assist the board in matters related to its functions.

SECTION 1169. 41.41 (5) (e) of the statutes is amended to read:

41.41 (5) (e) Consult and cooperate with the department of agriculture, trade and consumer protection, the department of natural resources, the department of transportation, ~~the department of commerce,~~ the department of administration, the state historical society, the University of Wisconsin-Extension, any federally recognized American Indian tribe or band in this state that appoints a liaison representative to the board regarding the management of the Kickapoo valley reserve.

SECTION 1170. 42.09 (3) (b) of the statutes is amended to read:

42.09 (3) (b) The board shall develop policies encouraging each private person entering into an agreement with the board under this subsection to agree that his or her goal shall be to ensure that at least 25% of the employees hired to perform construction work in connection with state fair park facilities or to perform professional services in connection with the construction or development of those facilities will be minority group members, as defined in s. ~~560.036~~ 16.287 (1) (f), and that at least 5% of the employees hired to perform construction work in connection with state fair park facilities or to perform professional services in connection with the construction or development of those facilities will be women.

SECTION 1171. 43.15 (2) (a) of the statutes is renumbered 43.15 (2).

SECTION 1172. 43.15 (2) (b) to (e) of the statutes are repealed.

SECTION 1173. 43.15 (4) (c) 5. of the statutes is repealed.

SECTION 1174. 43.15 (4) (e) of the statutes is repealed.

SECTION 1175. 43.15 (5) of the statutes is amended to read:

43.15 (5) CAPITAL COSTS EXCLUDED. For the purpose of determining the amount of financial support required under ~~subs. (2) (b) and sub. (4) (b) 2. and (e) 5.~~, amounts spent for capital projects shall be excluded.

SECTION 1176. 43.53 (2) (a) of the statutes is amended to read:

43.53 (2) (a) Name one of the participants as the library's fiscal agent, who is responsible for the payroll, benefit administration, insurance, and financial record keeping and auditing for the library. The participant's costs of providing the services under this paragraph count toward the financial support required of the participant under s. ~~43.15 (2) (b) or (4) (b) 2. or (e) 5.~~

SECTION 1177. Chapter 44 (title) of the statutes is amended to read:

CHAPTER 44

HISTORICAL SOCIETIES AND ARTS BOARD HISTORICAL PRESERVATION

SECTION 1179. 44.02 (12) of the statutes is amended to read:

44.02 (12) Be the custodian of the official series of the portraits of the governors of Wisconsin under s. ~~44.53~~ 41.53 (1) (g) and maintain the portraits in proper condition. The society may permit any or all of the portraits to be exhibited in such state buildings for such periods of time as it deems feasible.

SECTION 1182. Subchapter III (title) of chapter 44 [precedes 44.51] of the statutes is renumbered subchapter IV (title) of chapter 41 [precedes 41.51].

SECTION 1183. 44.51 (intro.) and (1) of the statutes are consolidated, renumbered 41.51 and amended to read:

41.51 Definitions. In this subchapter, unless the context requires otherwise: ~~(1) "Board"~~ otherwise, "board" means the arts board.

SECTION 1184. 44.51 (1m) of the statutes is repealed.

SECTION 1185. 44.51 (2) of the statutes is repealed.

SECTION 1186. 44.51 (3) of the statutes is repealed.

SECTION 1187. 44.53 (title) of the statutes is renumbered 41.53 (title).

SECTION 1188. 44.53 (1) (intro.) of the statutes is renumbered 41.53 (1) (intro.).

SECTION 1189. 44.53 (1) (a) of the statutes is renumbered 41.53 (1) (a).

SECTION 1190. 44.53 (1) (b) of the statutes is renumbered 41.53 (1) (b).

SECTION 1191. 44.53 (1) (c) of the statutes is renumbered 41.53 (1) (c).

SECTION 1192. 44.53 (1) (d) of the statutes is renumbered 41.53 (1) (d).

SECTION 1193. 44.53 (1) (e) of the statutes is renumbered 41.53 (1) (e).

SECTION 1194. 44.53 (1) (f) of the statutes is renumbered 41.53 (1) (f) and amended to read:

41.53 (1) (f) Plan and implement, when funds are available in the appropriations under s. ~~20.215 (4)~~ 20.380 (3) (b) and (o), a program of contracts with or grants-in-aid to groups or, in appropriate cases, individuals of exceptional talent engaged in or concerned with the arts. No grantee may receive any funds distributed as grants-in-aid under this paragraph unless the grantee provides at least 50% of the estimated total cost of the project, either in the form of moneys or in-kind contributions of equivalent value, to be funded under this paragraph.

SECTION 1195. 44.53 (1) (fm) of the statutes is renumbered 41.53 (1) (fm) and amended to read:

41.53 (1) (fm) Conduct a program identical to that described in par. (f), but only for American Indian individuals and groups. The program shall be funded from the appropriation under s. ~~20.215 (4)~~ 20.380 (3) (km).

SECTION 1196. 44.53 (1) (g) of the statutes is renumbered 41.53 (1) (g) and amended to read:

41.53 (1) (g) Arrange and schedule the portrait of the governor or any former governor. Costs incurred under this paragraph shall be charged to the appropriation under s. ~~20.215 (4)~~ 20.380 (3) (c) up to a limit of \$10,000 per portrait. Costs in excess of \$10,000 per portrait may be charged to the appropriation under s. ~~20.215 (4)~~ 20.380 (3) (c) only with the prior approval of the joint committee on finance.

SECTION 1197. 44.53 (1) (h) of the statutes is renumbered 41.53 (1) (h) and is amended to read:

41.53 (1) (h) Annually, award an amount equal to at least 5% of all state and federal funds received by the board in that year for grants to artists and arts organizations to artists who are minority group members and arts groups composed principally of minority group members. In this paragraph, "minority group member" has the meaning specified in s. ~~560.036~~ 16.287 (1) (f).

SECTION 1198. 44.53 (1) (i) of the statutes is renumbered 41.53 (1) (i).

SECTION 1199. 44.53 (1) (j) of the statutes is renumbered 41.53 (1) (j) and amended to read:

41.53 (1) (j) Annually pay to the Milwaukee Foundation, Inc., for deposit in the High Point fund, the amount appropriated under s. ~~20.215 (4)~~ 20.380 (3) (e).

SECTION 1200. 44.53 (2) (intro.) of the statutes is renumbered 41.53 (2) (intro.).

SECTION 1201. 44.53 (2) (a) of the statutes is renumbered 41.53 (2) (a).

SECTION 1202. 44.53 (2) (am) of the statutes is renumbered 41.53 (2) (am).

SECTION 1203. 44.53 (2) (b) of the statutes is renumbered 41.53 (2) (b).

SECTION 1204. 44.53 (2) (c) of the statutes is renumbered 41.53 (2) (c) and amended to read:

41.53 (2) (c) Award an operational grant to an organization if the sum of all operational grants awarded in the current year does not exceed 50% of the sum of all grants awarded to organizations from the appropriations under s. ~~20.215 (4)~~ 20.380 (3) (b) and (o) in the current year. In this paragraph, "operational grant" means a grant awarded by the board to support those administrative costs of an organization that are not directly related to the development of an artistic performance or product.

SECTION 1205d. 44.55 of the statutes is renumbered 41.55.

SECTION 1206. 44.56 (title) of the statutes is renumbered 41.56 (title).

SECTION 1207. 44.56 (1) of the statutes is renumbered 41.56 (1).

SECTION 1208. 44.56 (2) of the statutes is renumbered 41.56 (2) and amended to read:

41.56 (2) Every recipient of a grant awarded by the board under the board's general grants program or community arts program from the appropriation under s. ~~20.215 (4)~~ 20.380 (3) (b) shall perform a public service ~~which that~~ shall be mutually agreed upon by the board and the grant recipient at the time the grant is awarded.

SECTION 1209. 44.565 (title) of the statutes is renumbered 41.565 (title).

SECTION 1210. 44.565 (1) of the statutes is renumbered 41.565 (1).

SECTION 1211. 44.565 (2) (a) of the statutes is renumbered 41.565 (2) (a) and amended to read:

41.565 (2) (a) From the appropriation under s. ~~20.215 (4)~~ 20.380 (3) (d), the board shall award arts challenge initiative grants to arts organizations and local arts agencies.

SECTION 1212. 44.565 (2) (b) (intro.) of the statutes is renumbered 41.565 (2) (b) (intro.) and amended to read:

41.565 (2) (b) (intro.) The board shall award grants from the appropriation under s. ~~20.215 (4)~~ 20.380 (3) (d) to match up to 25% of an arts organization's or a local arts agency's income from contributions for the fiscal year in which a grant may be awarded ~~which that~~ exceeds the amount of income from contributions in the previous fiscal year and income from earned income ~~which that~~ exceeds the amount of earned income from the previous fiscal year in that fiscal year subject to the following requirements:

SECTION 1213. 44.565 (2) (b) 1. of the statutes is renumbered 41.565 (2) (b) 1.

SECTION 1214. 44.565 (2) (b) 2. of the statutes is renumbered 41.565 (2) (b) 2.

SECTION 1215. 44.565 (2) (c) of the statutes is renumbered 41.565 (2) (c).

SECTION 1216. 44.565 (2) (d) of the statutes is renumbered 41.565 (2) (d).

SECTION 1217. 44.565 (2) (e) of the statutes is renumbered 41.565 (2) (e).

SECTION 1218. 44.565 (3) of the statutes is renumbered 41.565 (3) and amended to read:

41.565 (3) If the amount in the appropriation under s. ~~20.215 (4)~~ 20.380 (3) (d) in any fiscal year is insufficient to fund all grants under this section, the board shall award grants, including the minimum and maximum grants under sub. (2) (e), on a prorated basis.

SECTION 1219. 44.565 (4) of the statutes is renumbered 41.565 (4).

SECTION 1220. 44.57 (1) of the statutes is repealed.

SECTION 1221. 44.57 (2) of the statutes is repealed.

SECTION 1222. 44.57 (3) of the statutes is repealed.

SECTION 1223. 44.57 (4) of the statutes is repealed.

SECTION 1224. 44.57 (5) (intro.) of the statutes is renumbered 41.57 (5) (intro.) and amended to read:

41.57 (5) BOARD RESPONSIBILITIES. (intro.) After acquisition of the work of art under ~~sub. (4) s. 44.57 (4), 2009 stats.~~, the board shall:

SECTION 1225. 44.57 (5) (a) of the statutes is repealed.

SECTION 1226. 44.57 (5) (b) of the statutes is repealed.

SECTION 1227. 44.57 (5) (c) of the statutes is renumbered 41.57 (5) (c) and amended to read:

41.57 (5) (c) Cooperate with the bureau of facilities management and consult with the artist or the artist's representative to ensure that each work of art acquired under ~~this section s. 44.57 (4), 2009 stats.~~ is properly maintained and is not artistically altered without the consent of the artist or the artist's representative.

SECTION 1228. 44.57 (5) (d) of the statutes is renumbered 41.57 (5) (d) and amended to read:

41.57 (5) (d) Ensure that any work of art acquired under ~~this section s. 44.57 (4), 2009 stats.~~ is maintained and displayed on the grounds of the state building for at least 25 years, unless the board finds that earlier removal is in the public interest. When the board, in consultation with the agency making principal use of the building to which the work of art is appurtenant, determines that the work of art should be removed, the board shall loan the work of art to an accredited museum in the state or to an educational or other appropriate public institution capable of maintaining and exhibiting the work of art.

SECTION 1229. 44.60 of the statutes is renumbered 41.60.

SECTION 1230. 44.62 (title) of the statutes is renumbered 41.62 (title).

SECTION 1231. 44.62 (1) (intro.) of the statutes is renumbered 41.62 (1) (intro.).

SECTION 1232. 44.62 (1) (a) of the statutes is renumbered 41.62 (1) (a) and amended to read:

41.62 (1) (a) "Local arts agency" has the meaning given in s. ~~44.565~~ 41.565 (1).

SECTION 1233. 44.62 (1) (b) of the statutes is renumbered 41.62 (1) (b).

SECTION 1234. 44.62 (2) of the statutes is renumbered 41.62 (2) and amended to read:

41.62 (2) Subject to sub. (3), the board shall award grants under the Wisconsin regranting program to local arts agencies and municipalities. Grants shall be awarded from the appropriations under s. ~~20.215 (4)~~ 20.380 (3) (f) and (j).

SECTION 1235. 44.62 (3) of the statutes is renumbered 41.62 (3).

SECTION 1236. 44.62 (4) of the statutes is renumbered 41.62 (4).

SECTION 1239x. 45.03 (13) (L) of the statutes is amended to read:

45.03 (13) (L) Provide verification to the educational institution of the information required under s. 36.27 (3p) (a) 1r or 38.24 (8) (a) 1r.

SECTION 1240x. 45.03 (13) (m) of the statutes is amended to read:

45.03 (13) (m) Provide verification to the educational institution of the information required under s. 36.27 (3n) (a) 1m or 38.24 (7) (a) 1m.

SECTION 1242. 45.03 (20) of the statutes is repealed.

SECTION 1245. 45.20 (2) (a) 1. of the statutes is amended to read:

45.20 (2) (a) 1. The department shall administer a tuition reimbursement program for eligible veterans enrolling as undergraduates in any institution of higher education in this state, enrolling in a school that is approved under s. 45.03 (11), enrolling in a proprietary school that is approved under s. 38.50, enrolling in a public or private high school, enrolling in a tribal school, as defined in s. ~~44.014~~ 115.001 (15m), in any grade from 9 to 12, or receiving a waiver of nonresident tuition under s. 39.47.

SECTION 1248m. 45.41 (3m) of the statutes is created to read:

45.41 (3m) If the total amount of payments to be paid under sub. (2) (a) to (c) exceeds the amount available for the payments from the appropriation under s. 20.485 (2) (vw), the department shall prorate the reimbursement payments among the state veterans organizations receiving the payments.

SECTION 1249. 45.50 (1) (a) of the statutes is renumbered 45.50 (1) and amended to read:

45.50 (1) VETERANS HOME AT KING. The department shall operate the Wisconsin Veterans Home at King and employ a commandant for the home. ~~The department shall employ a commandant for the Wisconsin Veterans Home at Union Grove and may employ a commandant for the Wisconsin Veterans Home at Chippewa Falls. The department may employ any personnel that are necessary~~

~~for the proper management and operation of veterans homes. In compliance with the compensation plan established pursuant to s. 230.12 (3), a commandant may recommend to the director of personnel charges for meals, living quarters, laundry, and other services furnished to employees and members of the employees' family maintained at veterans homes. The department shall provide complete personal maintenance and medical care, including programs and facilities that promote comfort, recreation, well-being, or rehabilitation, to all members of veterans homes.~~

SECTION 1250. 45.50 (1) (b) of the statutes is renumbered 45.50 (2m) (e) and amended to read:

45.50 (2m) (e) All moneys received as reimbursement for services to veterans homes employees or as payment for meals served to guests at veterans homes shall be accumulated in an account named "employee maintenance credits" and shall be paid into the general fund within one week after receipt and credited to the appropriation account under s. 20.485 (1) (gk). This paragraph does not apply to any agreement entered into pursuant to par. (c).

SECTION 1251. 45.50 (1) (c) of the statutes is renumbered 45.50 (2m) (d) and amended to read:

45.50 (2m) (d) Veterans homes with a skilled nursing facility shall include a geriatric evaluation, research, and education program. The program staff shall be funded from the appropriations under s. 20.485 (1) (hm), (j), and (mj).

SECTION 1252. 45.50 (2) (a) of the statutes is renumbered 45.50 (2b) and amended to read:

45.50 (2b) Subject to authorization under ss. 13.48 (10) and 20.924 (1), the department may construct or renovate and operate residential, treatment, and nursing care facilities, including a community-based residential facility, to be known as the Wisconsin Veterans Home at Union Grove. The department shall employ a commandant for the Wisconsin Veterans Home at Union Grove.

SECTION 1253. 45.50 (2) (b) of the statutes is renumbered 45.50 (2d) and amended to read:

45.50 (2d) Subject to authorization under ss. 13.48 (10) and 20.924 (1), the department may develop, construct or renovate, and operate residential, treatment, and nursing care facilities and programs for veterans in northwestern Wisconsin, on the property of the Northern Wisconsin Center for the Developmentally Disabled in Chippewa Falls to be known as the Wisconsin Veterans Home at Chippewa Falls. The programs and facilities may include an assisted living facility, a skilled nursing facility, a medical clinic, an adult day health care center, an activities center, and a veterans assistance program. The department may employ a commandant for the Wisconsin Veterans Home at Chippewa Falls.

SECTION 1254. 45.50 (2b) (title) of the statutes is created to read:

45.50 (2b) (title) VETERANS HOME AT UNION GROVE.

SECTION 1255. 45.50 (2d) (title) of the statutes is created to read:

45.50 (2d) (title) VETERANS HOME AT CHIPPEWA FALLS.

SECTION 1256. 45.50 (2m) (title) of the statutes is created to read:

45.50 (2m) (title) SERVICES; STAFFING OF HOMES.

SECTION 1257. 45.50 (2m) (a) of the statutes is created to read:

45.50 (2m) (a) The department shall provide complete personal maintenance and medical care, including programs and facilities that promote comfort, recreation, well-being, or rehabilitation, to all members of veterans homes.

SECTION 1258. 45.50 (2m) (b) of the statutes is created to read:

45.50 (2m) (b) The department may employ any personnel that are necessary for the proper management and operation of veterans homes. In compliance with the compensation plan established pursuant to s. 230.12 (3), a commandant may recommend to the director of personnel charges for meals, living quarters, laundry, and other services furnished to employees and members of the employees' family maintained at veterans homes.

SECTION 1259. 45.50 (2m) (c) of the statutes is created to read:

45.50 (2m) (c) For the Wisconsin Veterans Home at Chippewa Falls, in lieu of the department employing personnel as authorized under par. (b) and providing the maintenance and medical care as specified in par. (a), the department may enter into an agreement with a private entity to operate the home and perform such management and care using personnel employed by the private entity.

SECTION 1260. 45.50 (3) (title) of the statutes is created to read:

45.50 (3) (title) LAND ACQUISITION.

SECTION 1261. 45.50 (4) (title) of the statutes is created to read:

45.50 (4) (title) GIFTS AND GRANTS.

SECTION 1262. 45.50 (4) of the statutes is renumbered 45.50 (4) (a).

SECTION 1263. 45.50 (5) of the statutes is renumbered 45.50 (4) (b).

SECTION 1264. 45.50 (6) (title) of the statutes is created to read:

45.50 (6) (title) WATER AND SEWER SERVICES.

SECTION 1265. 45.50 (6) (b) of the statutes is amended to read:

45.50 (6) (b) Agreements under this section subsection shall be drafted to hold harmless the department, to require all expense to be paid by the applicant, and to be terminable by the department when other water and sewer services become available to the applicant.

SECTION 1266. 45.50 (7) (title) of the statutes is created to read:

45.50 (7) (title) ENFORCEMENT AUTHORITY.

SECTION 1267. 45.50 (8) (title) of the statutes is created to read:

45.50 (8) (title) FIRE FIGHTING SERVICES.

SECTION 1268. 45.50 (9) of the statutes is renumbered 45.50 (2m) (f) and amended to read:

45.50 (2m) (f) The department may develop a program to provide stipends to individuals to attend school and receive the necessary credentials to become employed at veterans homes. If the department develops a stipend program under this subsection paragraph, the department shall promulgate rules related to the program, including the application process, eligibility criteria, stipend amount, repayment provisions, and other provisions that the department determines are necessary to administer the program.

SECTION 1269. 45.50 (10) of the statutes is amended to read:

45.50 (10) HOSPITALS AUTHORIZED. The department may establish a hospital at ~~the a veterans homes home.~~ All hospitals established under this subsection may not have a total approved bed capacity, as defined in s. 150.01 (4m), greater than 16 beds. The approved bed capacity of a skilled nursing facility operated at a veterans home is reduced by one bed for each approved bed at the hospital established under this subsection at that home.

SECTION 1271. 46.03 (18) (ar) of the statutes is amended to read:

46.03 (18) (ar) ~~A Subject to s. 46.995,~~ a county may retain fees that it collects under this subsection for services the county provides without state funding under the disabled children's long-term support program.

SECTION 1273. 46.057 (2) of the statutes is amended to read:

46.057 (2) From the appropriation account under s. 20.410 (3) (ba), the department of corrections shall transfer to the appropriation account under s. 20.435 (2) (kx) \$1,365,500 in each fiscal year and, from the appropriation account under s. 20.410 (3) (hm), the department of corrections shall transfer to the appropriation account under s. 20.435 (2) (kx) ~~\$2,872,300~~ \$2,890,700 in fiscal year ~~2009-10~~ 2011-12 and ~~\$2,896,100~~ \$2,964,000 in fiscal year ~~2010-11~~ 2012-13, for services for juveniles placed at the Mendota juvenile treatment center. The department of health services may charge the department of corrections not more than the actual cost of providing those services.

SECTION 1276. 46.21 (2m) (am) of the statutes is created to read:

46.21 (2m) (am) *Multicounty department.* A county board of supervisors may establish with one or more other counties a county department of human services on a multicounty basis. A multicounty department of human services established under this paragraph shall meet the requirements for a county department of human services under this section.

SECTION 1277. 46.215 (1) (intro.) of the statutes is amended to read:

46.215 (1) **CREATION: POWERS AND DUTIES.** (intro.) In a county with a population of 500,000 or more the administration of welfare services, other than child welfare services under s. 48.48 (17) administered by the department and except as provided in ss. 49.155 (3g), 49.78 (1r), 49.825, and 49.826, is vested in a county department of social services under the jurisdiction of the county board of supervisors under s. 46.21 (2m) (b) 1. a. Any reference in any law to a county department of social services under this section applies to a county department under s. 46.21 (2m) in its administration under s. 46.21 (2m) of the powers and duties of the county department of social services. Except as provided in ss. 49.155 (3g), 49.78 (1r), 49.825, and 49.826, the county department of social services shall have the following functions, duties, and powers, and such other welfare functions as may be delegated to it:

SECTION 1281. 46.215 (1) (t) of the statutes is created to read:

46.215 (1) (t) At the discretion of the county board of supervisors, to combine with one or more other counties to establish a county department of social services on a multicounty basis. A multicounty department of social services established under this paragraph shall meet the requirements for a county department of social services under this section.

SECTION 1282. 46.215 (2) (c) 3. of the statutes is amended to read:

46.215 (2) (c) 3. A county department of social services shall develop, under the requirements of s. 301.08 (2), plans and contracts for juvenile delinquency-related care and services to be purchased. The department of corrections may review the contracts and approve them if they are consistent with s. 301.08 (2) and if state or federal funds are available for such purposes. The joint committee on finance may require the department of corrections to submit the contracts to the committee for review and approval. The department of corrections may not make any payments to a county for programs included in a contract under review by the committee. The department of corrections shall reimburse each county for the contracts from the appropriations under s. 20.410 (3) (cd), ~~(ke), and (e)~~ and (ko) as appropriate.

SECTION 1283. 46.22 (1) (a) of the statutes is amended to read:

46.22 (1) (a) *Creation.* Except as provided under s. 46.23 (3) (b), the county board of supervisors of any county with a population of less than 500,000, or the county boards of 2 or more ~~contiguous~~ contiguous counties ~~each with a population of less than 500,000,~~ shall establish a county department of social services on a single-county or multicounty basis. The county department of social services

shall consist of a county social services board, a county social services director and necessary personnel.

SECTION 1286m. 46.22 (1) (b) 2. d. of the statutes is amended to read:

46.22 (1) (b) 2. d. To certify eligibility for and issue food coupons to needy households in conformity with 7 USC 2011 to ~~2029 2036~~, subject to s. 49.78.

SECTION 1288. 46.22 (1) (e) 3. c. of the statutes is amended to read:

46.22 (1) (e) 3. c. A county department of social services shall develop, under the requirements of s. 301.08 (2), plans and contracts for juvenile delinquency-related care and services to be purchased. The department of corrections may review the contracts and approve them if they are consistent with s. 301.08 (2) and to the extent that state or federal funds are available for such purposes. The joint committee on finance may require the department of corrections to submit the contracts to the committee for review and approval. The department of corrections may not make any payments to a county for programs included in the contract that is under review by the committee. The department of corrections shall reimburse each county for the contracts from the appropriations under s. 20.410 (3) (cd), ~~(ke)~~, and ~~(o)~~ and ~~(ko)~~ as appropriate.

SECTION 1291. 46.23 (3) (a) of the statutes is amended to read:

46.23 (3) (a) *Creation.* Upon approval by the secretary of health services, by the secretary of corrections, and by the secretary of children and families of a feasibility study and a program implementation plan, the county board of supervisors of any county with a population of less than 500,000, or the county boards of supervisors of 2 or more ~~contiguous~~ counties, ~~each of which has a population of less than 500,000~~, may establish by resolution a county department of human services on a single-county or multicounty basis to provide the services required under this section. The county department of human services shall consist of the county human services board, the county human services director and necessary personnel.

SECTION 1292. 46.27 (7) (am) of the statutes is amended to read:

46.27 (7) (am) From the appropriation under s. 20.435 (7) (bd), the department shall allocate funds to each county or private nonprofit agency with which the department contracts to pay assessment and case plan costs under sub. (6) not otherwise paid by fee or under s. 49.45 or 49.78 (2). The department shall reimburse ~~counties~~ multicounty consortia for the cost of assessing persons eligible for medical assistance under s. 49.46, 49.468, 49.47, or 49.471 (4) (a) as part of the administrative services of medical assistance, payable under s. 49.45 (3) (a). Counties may use unspent funds allocated under this paragraph to pay the cost of long-term com-

munity support services and for a risk reserve under par. (fr).

SECTION 1293. 46.27 (9) (a) of the statutes is amended to read:

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

SECTION 1294. 46.27 (10) (a) 1. of the statutes is amended to read:

46.27 (10) (a) 1. The department shall determine for each county participating in the pilot project under sub. (9) a funding level of state medical assistance expenditures to be received by the county. This level shall equal the amount that the department determines would otherwise be paid under s. 20.435 (4) (b), ~~(gm)~~, or (w) because of increased utilization of nursing home services, as estimated by the department.

SECTION 1295. 46.275 (5) (a) of the statutes is amended to read:

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

SECTION 1296. 46.275 (5) (c) of the statutes is amended to read:

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

SECTION 1297. 46.278 (6) (d) of the statutes is amended to read:

46.278 (6) (d) If a county makes available nonfederal funds equal to the state share of service costs under a waiver received under sub. (3), the department may, from the appropriation under s. 20.435 (4) (o), provide reim-

bursement for services that the county provides under this section to persons who are in addition to those who may be served under this section with funds from the appropriation accounts under s. 20.435 (4) (b), ~~(gm)~~, or (w).

SECTION 1298. 46.2785 (5) (a) of the statutes is amended to read:

46.2785 (5) (a) Medical assistance reimbursement for services a county or private agency contracts for or provides under the waiver program shall be made from the appropriation accounts under s. 20.435 (4) (b), ~~(gm)~~, and (o).

SECTION 1299. 46.281 (3) of the statutes is amended to read:

46.281 (3) DUTY OF THE SECRETARY. The secretary shall certify to each county, hospital, nursing home, community-based residential facility, adult family home, ~~as defined in s. 50.01 (1) (a) or (b)~~, and residential care apartment complex the date on which a resource center that serves the area of the county, hospital, nursing home, community-based residential facility, adult family home, or residential care apartment complex is first available to perform functional screenings and financial and cost-sharing screenings. To facilitate phase-in of services of resource centers, the secretary may certify that the resource center is available for specified groups of eligible individuals or for specified facilities in the county.

SECTION 1302. 46.283 (4) (e) of the statutes is amended to read:

46.283 (4) (e) Provide information about the services of the resource center, including the services specified in sub. (3) (d), about assessments under s. 46.284 (4) (b) and care plans under s. 46.284 (4) (c), and about the family care benefit and the self-directed services option to all older persons and adults with a physical or developmental disability who are residents of nursing homes, community-based residential facilities, adult family homes, ~~as defined in s. 50.01 (1) (a) or (b)~~, and residential care apartment complexes in the area of the resource center when the benefit under s. 46.286 first becomes available in the county where the nursing home, community-based residential facility, adult family home, or residential care apartment complex is located.

SECTION 1303. 46.283 (4) (g) of the statutes is amended to read:

46.283 (4) (g) Perform a functional screening and a financial and cost-sharing screening for any person seeking admission to a nursing home, community-based residential facility, residential care apartment complex, or adult family home, ~~as defined in s. 50.01 (1) (a) or (b)~~, if the secretary has certified that the resource center is available to the person and the facility and the person is determined by the resource center to have a condition that is expected to last at least 90 days that would require care, assistance, or supervision. A resource center may not

require a financial and cost-sharing screening for a person seeking admission or about to be admitted on a private pay basis who waives the requirement for a financial and cost-sharing screening under this paragraph, unless the person is expected to become eligible for medical assistance within 6 months. A resource center need not perform a functional screening for a person seeking admission or about to be admitted for whom a functional screening was performed within the previous 6 months.

SECTION 1304. 46.283 (5) of the statutes is amended to read:

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

SECTION 1304m. 46.284 (2) (d) of the statutes is created to read:

46.284 (2) (d) As a term of a contract with a care management organization under this section, the department shall prohibit a care management organization from including a provision that requires a provider to return any funding for residential services, prevocational services, or supported employment services that exceeds the cost of those services to the care management organization in a contract for services covered by the family care benefit.

SECTION 1305. 46.284 (5) (a) of the statutes is amended to read:

46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), ~~(gm)~~, (im), (o), and (w) and (7) (b), (bd), and (g), the department shall provide funding on a capitated payment basis for the provision of services under this section. Notwithstanding s. 46.036 (3) and (5m), a care management organization that is under contract with the department may expend the funds, consistent with this section, including providing payment, on a capitated basis, to providers of services under the family care benefit.

SECTION 1306. 46.29 (3) (e) of the statutes is amended to read:

46.29 (3) (e) The secretary of ~~commerce~~ safety and professional services.

SECTION 1307. 46.40 (9) (d) of the statutes is amended to read:

46.40 (9) (d) *Payment adjustments for certain Medical Assistance services.* The department may decrease a county's allocation under sub. (2) by the amount of any payment adjustments under s. 49.45 (52) (a) made for that county from the appropriation account under s. 20.435 (7) (b) for services described under s. 49.45 (52) (a) 1. The total amount of the decrease for a county under this paragraph during any fiscal year may not exceed that part of the county's allocation under sub. (2) that derives

from the appropriation account under s. 20.435 (7) (b) for that fiscal year.

SECTION 1308. 46.40 (9) (e) of the statutes is created to read:

46.40 (9) (e) *County income maintenance administration.* Beginning in calendar year 2012, the department shall decrease the allocation under sub. (2) for a county with a population of 750,000 or more from the appropriation under s. 20.435 (7) (b) by \$2,700,000.

SECTION 1311. 46.90 (1) (gr) 3. of the statutes is amended to read:

46.90 (1) (gr) 3. The department of ~~regulation and licensing~~ safety and professional services.

SECTION 1312. 46.90 (5m) (br) 5. of the statutes is amended to read:

46.90 (5m) (br) 5. Refer the case to the department of ~~regulation and licensing~~ safety and professional services if the financial exploitation, neglect, self-neglect, or abuse involves an individual who is required to hold a credential, as defined in s. 440.01 (2) (a), under chs. 440 to 460.

SECTION 1313. 46.99 (3) of the statutes is amended to read:

46.99 (3) If the waiver requested under sub. (2) is granted, counties shall provide to the department the non-federal share of costs for medical assistance services provided under the waiver. Counties may use moneys appropriated under s. 20.435 (7) (bt) and distributed to counties under s. 51.44 (3) (a) to provide the nonfederal share of medical assistance costs.

SECTION 1314. 46.99 (3m) of the statutes is created to read:

46.99 (3m) If the waiver requested under sub. (2) is granted, counties shall provide to the department the non-federal share of the cost incurred by an entity to administer the waiver program under this section.

SECTION 1315. 46.99 (4) of the statutes is amended to read:

46.99 (4) From the appropriation account under s. 20.435 (4) (o), the department ~~shall~~ may distribute to counties that provide services under this section the amount of federal moneys received by the state as the federal share of medical assistance for those services, minus the amount transferred to the appropriation account under s. 20.435 (7) (im) for the department's costs of administering this section. Counties shall use moneys distributed under this section to provide services under this section or s. 51.44.

SECTION 1316. 46.995 of the statutes is created to read:

46.995 Disabled children's long-term support program; local funding. (1) A county shall provide to the department the nonfederal share of the cost incurred by an entity to administer services provided without state funding under the disabled children's long-term support

program for a child enrolled in the program after December 31, 2010.

(2) A county shall provide to the department the non-federal share of the cost of services provided without state funding under the disabled children's long-term support program.

SECTION 1317. 47.03 (11) (a) of the statutes is amended to read:

47.03 (11) (a) The department shall provide services, including vocational training, ~~craft instruction~~ and a supervised business initiatives program for persons with severe disabilities who are eligible for vocational rehabilitation services. Under this subsection, the department may own, lease, manage, supervise or operate businesses for the benefit of persons with severe disabilities, ~~including home-based employment and craft work~~, with the ultimate objective of enabling persons with severe disabilities to operate their own businesses. ~~The department shall assist persons with severe disabilities who receive these services in marketing the finished products.~~

SECTION 1318. 47.03 (11) (c) of the statutes is repealed.

SECTION 1319. 47.03 (11) (d) of the statutes is repealed.

SECTION 1320. 47.03 (11) (e) of the statutes is repealed.

SECTION 1321j. 48.38 (2) (f) of the statutes is amended to read:

48.38 (2) (f) The child's care would be paid for under s. 49.19 but for s. 49.19 (20), except that this paragraph does not apply to a child whose care is being paid for under s. 48.623 (1).

SECTION 1321k. 48.38 (4) (j) of the statutes is created to read:

48.38 (4) (j) If the child is placed in the home of a relative or other person described in s. 48.623 (1) (b) 1. who will be receiving subsidized guardianship payments, a description of all of the following:

1. The steps the agency has taken to determine that it is not appropriate for the child to be returned to his or her home or to be adopted.

2. If a decision has been made not to place the child and his or her siblings, as defined in par. (br) 1., in a joint placement, the reasons for separating the child and his or her siblings during the placement.

3. The reasons why a permanent placement with a fit and willing relative or other person described in s. 48.623 (1) (b) 1. through a subsidized guardianship arrangement is in the best interests of the child. In the case of an Indian child, the best interests of the Indian child shall be determined in accordance with s. 48.01 (2).

4. The ways in which the child and the relative or other person described in s. 48.623 (1) (b) 1. meet the eligibility requirements specified in s. 48.623 (1) for the receipt of subsidized guardianship payments.

5. The efforts the agency has made to discuss adoption of the child by the relative or other person described in s. 48.623 (1) (b) 1. as a more permanent alternative to guardianship and, if that relative or other person has chosen not to pursue adoption, documentation of the reasons for not pursuing adoption.

6. The efforts the agency has made to discuss the subsidized guardianship arrangement with the child's parents or, if those efforts were not made, documentation of the reasons for not making those efforts.

SECTION 1321n. 48.385 of the statutes is amended to read:

48.385 Plan for transition to independent living. During the 90 days immediately before a child who is placed in a foster home, group home, ~~subsidized guardianship home under s. 48.62 (5), group home,~~ or residential care center for children and youth or in the home of a relative other than a parent attains 18 years of age or, if the child is placed in such a placement under an order under s. 48.355, 48.357, 48.365, 938.355, 938.357, or 938.365 that terminates under s. 48.355 (4) or 938.355 (4) after the child attains 18 years of age, during the 90 days immediately before the termination of the order, the agency primarily responsible for providing services to the child under the order shall provide the child with assistance and support in developing a plan for making the transition from out-of-home care to independent living. The transition plan shall be personalized at the direction of the child, shall be as detailed as the child directs, and shall include specific options for obtaining housing, health care, education, mentoring and continuing support services, and workforce support and employment services.

SECTION 1323. 48.545 (2) (a) (intro.) of the statutes is amended to read:

48.545 (2) (a) (intro.) From the appropriations under s. 20.437 (1) (eg), ~~(kb)~~, and (nL), the department shall distribute \$2,097,700 in each fiscal year to applying non-profit corporations and public agencies operating in a county having a population of 500,000 or more, \$1,171,800 in each fiscal year to applying county departments under s. 46.22, 46.23, 51.42, or 51.437 operating in counties other than a county having a population of 500,000 or more, and \$55,000 in each fiscal year to Diverse and Resilient, Inc. to provide programs to accomplish all of the following:

SECTION 1323d. 48.561 (3) (a) 3. of the statutes is amended to read:

48.561 (3) (a) 3. Through a deduction of \$20,101,300 from any state payment due that county under s. ~~79.03 79.035~~, 79.04, ~~79.058, 79.06~~, or 79.08 as provided in par. (b).

SECTION 1323g. 48.561 (3) (b) of the statutes is amended to read:

48.561 (3) (b) The department of administration shall collect the amount specified in par. (a) 3. from a county

having a population of 500,000 or more by deducting all or part of that amount from any state payment due that county under s. ~~79.03 79.035~~, 79.04, ~~79.058, 79.06~~, or 79.08. The department of administration shall notify the department of revenue, by September 15 of each year, of the amount to be deducted from the state payments due under s. ~~79.03 79.035~~, 79.04, ~~79.058, 79.06~~, or 79.08. The department of administration shall credit all amounts collected under this paragraph to the appropriation account under s. 20.437 (1) (kw) and shall notify the county from which those amounts are collected of that collection. The department may not expend any moneys from the appropriation account under s. 20.437 (1) (cx) for providing services to children and families under s. 48.48 (17) until the amounts in the appropriation account under s. 20.437 (1) (kw) are exhausted.

SECTION 1324. 48.563 (1) (a) of the statutes is amended to read:

48.563 (1) (a) Within the limits of available federal funds and of the appropriations under s. 20.437 (1) (b), ~~(km)~~, and (o), the department shall distribute funds for children and family services to county departments as provided in subs. (2), (3), and (7m) and s. 48.986.

SECTION 1324f. 48.563 (2) of the statutes is amended to read:

48.563 (2) BASIC COUNTY ALLOCATION. For children and family services under s. 48.569 (1) (d), the department shall distribute not more than \$51,577,400 in fiscal year ~~2009-10~~ and not more than \$63,264,700 in fiscal year ~~2010-11~~ and \$66,475,500 in each fiscal year ~~thereafter~~.

SECTION 1325. 48.565 (2) (c) of the statutes is amended to read:

48.565 (2) (c) The department shall credit to the appropriation account under s. 20.437 (3) ~~(mp)~~ (kp) any moneys carried forward under par. (a), but not distributed to counties, and may expend those moneys as provided in s. 48.567.

SECTION 1326. 48.567 (1) of the statutes is amended to read:

48.567 (1) From the appropriation account under s. 20.437 (3) ~~(mp)~~ (kp), the department shall support costs that are exclusively related to the ongoing and recurring operational costs of augmenting the amount of moneys received under 42 USC 670 to 679a and to any other purpose provided for by the legislature by law or in budget determinations. In addition, the department may expend moneys from ~~the that~~ appropriation account ~~under s. 20.437 (3) (mp)~~ as provided in subs. (1m) and (2).

SECTION 1327. 48.567 (1m) of the statutes is amended to read:

48.567 (1m) In addition to expending moneys from the appropriation account under s. 20.437 (3) ~~(mp)~~ (kp) for the augmentation activities specified in sub. (1), the department may expend moneys ~~received under 42 USC 1396 to 1396v~~ in reimbursement of the cost of providing

~~targeted case management services to children whose care is not eligible for reimbursement under 42 USC 670 to 679a and credited to the~~ from that appropriation account ~~under s. 20.437 (3) (mp)~~ to support the counties' share of implementing the statewide automated child welfare information system under s. 46.22 (1) (c) 8. f. and to provide services to children and families under s. 48.48 (17).

SECTION 1328. 48.567 (2) of the statutes is amended to read:

48.567 (2) If the department proposes to use any moneys from the appropriation account under s. 20.437 (3) ~~(mp)~~ (kp) for any purpose other than the purposes specified in subs. (1) and (1m), the department shall submit a plan for the proposed use of those moneys to the secretary of administration by September 1 of the fiscal year after the fiscal year in which those moneys were received. If the secretary of administration approves the plan, he or she shall submit the plan to the joint committee on finance by October 1 of the fiscal year after the fiscal year in which those moneys were received. If the cochairpersons of the committee do not notify the secretary of administration within 14 working days after the date of submittal of the plan that the committee has scheduled a meeting for the purpose of reviewing the plan, the department may implement the plan. If within 14 working days after the date of the submittal by the secretary of administration the cochairpersons of the committee notify him or her that the committee has scheduled a meeting for the purpose of reviewing the plan, the department may implement the plan only with the approval of the committee.

SECTION 1329. 48.569 (1) (am) of the statutes is amended to read:

48.569 (1) (am) The department shall reimburse each county from the appropriations under s. 20.437 (1) (b), (km), and (o) for children and family services as approved by the department under ss. 46.22 (1) (b) 2. f. and (e) 3. b.

SECTION 1330. 48.569 (1) (d) of the statutes is amended to read:

48.569 (1) (d) From the appropriations under s. 20.437 (1) (b), (km), and (o), the department shall distribute the funding for children and family services, including funding for foster care or subsidized guardianship care of a child on whose behalf aid is received under s. 48.645 to county departments as provided under s. 48.563. County matching funds are required for the distribution under s. 48.563 (2). Each county's required match for the distribution under s. 48.563 (2) shall be specified in a schedule established annually by the department. Matching funds may be from county tax levies, federal and state revenue sharing funds, or private donations to the county that meet the requirements specified in sub. (1m). Private donations may not exceed 25 percent of the total county match. If the county match is less

than the amount required to generate the full amount of state and federal funds distributed for this period, the decrease in the amount of state and federal funds equals the difference between the required and the actual amount of county matching funds.

SECTION 1330s. 48.57 (3) (a) 4. of the statutes is amended to read:

48.57 (3) (a) 4. Is living in a foster home, group home, residential care center for children and youth, or subsidized guardianship home ~~under s. 48.62 (5)~~.

SECTION 1331h. 48.57 (3m) (cm) of the statutes is amended to read:

48.57 (3m) (cm) A kinship care relative who receives a payment under par. (am) for providing care and maintenance for a child is not eligible to receive a payment under sub. (3n) or s. 48.62 (4) or ~~(5)~~ 48.623 (1) or (6) for that child.

SECTION 1332b. 48.57 (3n) (cm) of the statutes is amended to read:

48.57 (3n) (cm) A long-term kinship care relative who receives a payment under par. (am) for providing care and maintenance for a child is not eligible to receive a payment under sub. (3m) or s. 48.62 (4) or ~~(5)~~ 48.623 (1) or (6) for that child.

SECTION 1332c. 48.57 (3p) (a) of the statutes is amended to read:

48.57 (3p) (a) In this subsection, "adult resident" means a person 18 years of age or over who lives at the home of a person who has applied for or is receiving payments under sub. (3m) or (3n) ~~or s. 48.62 (5) (a) or (b)~~ with the intent of making that home his or her home or who lives for more than 30 days cumulative in any 6-month period at the home of a person who has applied for or is receiving payments under sub. (3m) or (3n) ~~or s. 48.62 (5) (a) or (b)~~.

SECTION 1332d. 48.57 (3p) (b) 1. of the statutes is amended to read:

48.57 (3p) (b) 1. After receipt of an application for payments under sub. (3m) or (3n) ~~or s. 48.62 (5) (a) or (b)~~, the county department or, in a county having a population of 500,000 or more, the department, with the assistance of the department of justice, shall conduct a background investigation of the applicant.

SECTION 1332e. 48.57 (3p) (b) 3. of the statutes is amended to read:

48.57 (3p) (b) 3. The county department or, in a county having a population of 500,000 or more, the department, with the assistance of the department of justice, may conduct a background investigation of any person who is receiving payments under sub. (3n) ~~or s. 48.62 (5) (a) or (b)~~ at any time that the county department or department considers to be appropriate.

SECTION 1332f. 48.57 (3p) (c) 1. of the statutes is amended to read:

48.57 (3p) (c) 1. After receipt of an application for payments under sub. (3m) or (3n) ~~or s. 48.62 (5) (a) or (b)~~,

the county department or, in a county having a population of 500,000 or more, the department, with the assistance of the department of justice, shall, in addition to the investigation under par. (b) 1., conduct a background investigation of all employees and prospective employees of the applicant who have or would have regular contact with the child for whom those payments are being made and of each adult resident.

SECTION 1332g. 48.57 (3p) (c) 2m. of the statutes is amended to read:

48.57 (3p) (c) 2m. The county department or, in a county having a population of 500,000 or more, the department, with the assistance of the department of justice, may conduct a background investigation of any of the employees or prospective employees of any person who is receiving payments under sub. (3n) ~~or s. 48.62 (5) (a) or (b)~~ who have or would have regular contact with the child for whom payments are being made and of each adult resident at any time that the county department or department considers to be appropriate.

SECTION 1332h. 48.57 (3p) (c) 3. of the statutes is amended to read:

48.57 (3p) (c) 3. Before a person who is receiving payments under sub. (3m) or (3n) ~~or s. 48.62 (5) (a) or (b)~~ may employ any person in a position in which that person would have regular contact with the child for whom those payments are being made or permit any person to be an adult resident, the county department or, in a county having a population of 500,000 or more, the department, with the assistance of the department of justice, shall conduct a background investigation of the prospective employee or prospective adult resident unless that person has already been investigated under subd. 1., 2. or 2m.

SECTION 1332i. 48.57 (3p) (fm) 1m. of the statutes is amended to read:

48.57 (3p) (fm) 1m. The county department or, in a county having a population of 500,000 or more, the department may not enter into the agreement under sub. (3n) (am) 6. ~~or make payments under s. 48.62 (5) (a) or (b)~~ unless the county department or department receives information from the department of justice relating to the conviction record of the applicant under the law of this state and that record indicates either that the applicant has not been arrested or convicted or that the applicant has been arrested or convicted but the director of the county department or, in a county having a population of 500,000 or more, the person designated by the secretary to review conviction records under this subdivision determines that the conviction record is satisfactory because it does not include any arrest or conviction that the director or person designated by the secretary determines is likely to adversely affect the child or the applicant's ability to care for the child. The county department or, in a county having a population of 500,000 or more, the department may make payments under sub. (3n) ~~or s. 48.62 (5) (a) or (b)~~ conditioned on the receipt of informa-

tion from the federal bureau of investigation indicating that the person's conviction record under the law of any other state or under federal law is satisfactory because the conviction record does not include any arrest or conviction that the director of the county department or, in a county having a population of 500,000 or more, the person designated by the secretary to review conviction records under this subdivision determines is likely to adversely affect the child or the applicant's ability to care for the child.

SECTION 1332j. 48.57 (3p) (fm) 2m. of the statutes is amended to read:

48.57 (3p) (fm) 2m. A person receiving payments under sub. (3n) ~~or s. 48.62 (5) (a) or (b)~~ may provisionally employ a person in a position in which that person would have regular contact with the child for whom those payments are being made or provisionally permit a person to be an adult resident if the person receiving those payments states to the county department or, in a county having a population of 500,000 or more, the department that, to the best of his or her knowledge, the employee or adult resident does not have any arrests or convictions that could adversely affect the child or the ability of the person receiving payments to care for the child. A person receiving payment under sub. (3n) ~~or s. 48.62 (5) (a) or (b)~~ may not finally employ a person in a position in which that person would have regular contact with the child for whom those payments are being made or finally permit a person to be an adult resident until the county department or, in a county having a population of 500,000 or more, the department receives information from the department of justice relating to the person's conviction record under the law of this state and that record indicates either that the person has not been arrested or convicted or that the person has been arrested or convicted but the director of the county department or, in a county having a population of 500,000 or more, the person designated by the secretary to review conviction records under this subdivision determines that the conviction record is satisfactory because it does not include any arrest or conviction that is likely to adversely affect the child or the ability of the person receiving payments to care for the child and the county department or department so advises the person receiving payments under sub. (3n) ~~or s. 48.62 (5) (a) or (b)~~. A person receiving payments under sub. (3n) ~~or s. 48.62 (5) (a) or (b)~~ may finally employ a person in a position in which that person would have regular contact with the child for whom those payments are being made or finally permit a person to be an adult resident conditioned on the receipt of information from the county department or, in a county having a population of 500,000 or more, the department that the federal bureau of investigation indicates that the person's conviction record under the law of any other state or under federal law is satisfactory because the conviction record does not include any arrest or conviction that the director of the

county department or, in a county having a population of 500,000 or more, the person designated by the secretary to review conviction records under this subdivision determines is likely to adversely affect the child or the ability of the person receiving payments to care for the child.

SECTION 1332k. 48.57 (3p) (hm) of the statutes is amended to read:

48.57 (3p) (hm) A county department or, in a county having a population of 500,000 or more, the department may not make payments to a person under sub. (3n) or s. 48.62 (5) (a) or (b) and a person receiving payments under sub. (3n) or s. 48.62 (5) (a) or (b) may not employ a person in a position in which that person would have regular contact with the child for whom payments are being made or permit a person to be an adult resident if the director of the county department or, in a county having a population of 500,000 or more, the person designated by the secretary to review conviction records under this paragraph determines that the person has any arrest or conviction that is likely to adversely affect the child or the person's ability to care for the child.

SECTION 1332m. 48.62 (5) (a) of the statutes is repealed.

SECTION 1332n. 48.62 (5) (b) of the statutes is renumbered 48.623 (6) (intro.) and amended to read:

48.623 (6) INTERIM CARETAKER. (intro.) Subject to ~~par. (d), on~~ On the death, incapacity, resignation, or removal of a guardian receiving payments under ~~par. (a), a~~ sub. (1), the county department or, ~~in a county having a population of 500,000 or more,~~ the department providing those payments shall provide monthly subsidized guardianship payments in the amount specified in ~~par. (e) sub. (3) (b)~~ sub. (3) (b) for a period of up to 12 months to an interim caretaker ~~who meets if all of the following conditions specified in par. (e), are met:~~

SECTION 1332p. 48.62 (5) (c) (intro.) of the statutes is repealed.

SECTION 1332q. 48.62 (5) (c) 1. of the statutes is renumbered 48.623 (6) (a) and amended to read:

48.623 (6) (a) The county department or department inspects the home of the ~~guardian or~~ interim caretaker, interviews the ~~guardian or~~ interim caretaker, and determines that placement of the child with the ~~guardian or~~ interim caretaker is in the best interests of the child. In the case of an Indian child, the best interests of the Indian child shall be determined in accordance with s. 48.01 (2).

SECTION 1332r. 48.62 (5) (c) 2. of the statutes is renumbered 48.623 (6) (b) and amended to read:

48.623 (6) (b) The county department or department conducts a background investigation under s. 48.57 (3p) ~~48.685~~ of the ~~guardian or~~ interim caretaker, ~~the employees and prospective employees of the guardian or~~ interim caretaker ~~who have or would have regular contact with the child for whom the payments would be made,~~ and any other adult resident, as defined in s. 48.57 (3p)

~~(a), and any nonclient resident, as defined in s. 48.685 (1) (bm), of the home of the guardian or interim caretaker and determines that those individuals do not have any arrests or convictions that are likely to adversely affect the child or the ability of the guardian or interim caretaker to care for the child meet the requirements specified in s. 48.685. The county department or department shall provide the department of health services with information about each person who is denied monthly subsidized guardianship payments or permission to reside in the home of an interim caretaker for a reason specified in s. 48.685 (4m) (a) 1. to 5. or (b) 1. to 5.~~

SECTION 1332s. 48.62 (5) (c) 3. of the statutes is renumbered 48.623 (6) (c) and amended to read:

48.623 (6) (c) ~~In the case of an interim caretaker, the~~ The interim caretaker cooperates with the county department or department in finding a permanent placement for the child.

SECTION 1332t. 48.62 (5) (d) of the statutes is renumbered 48.623 (3) (a) and amended to read:

48.623 (3) (a) ~~The department shall request from the secretary of the federal department of health and human services a waiver of the requirements under 42 USC 670 to 679a that would authorize the state to receive federal foster care and adoption assistance reimbursement under 42 USC 670 to 679a for the costs of providing care for a child who is in the care of a guardian who was licensed as the child's foster parent before the guardianship appointment and who has entered into a subsidized guardianship agreement with the county department or department. If the waiver is approved for In a county having a population of 500,000 750,000 or more, the department shall provide the monthly payments under par. (a) sub. (1) or (6) from the appropriations under s. 20.437 (1) (dd) and (pd). If the waiver is approved for In any other county, the department shall determine which counties are authorized to provide monthly payments under par. (a) or (b), and the county departments of those counties~~ department shall provide those payments from moneys received under s. 48.569 (1) (d).

SECTION 1332u. 48.62 (5) (e) of the statutes is renumbered 48.623 (3) (b) and amended to read:

48.623 (3) (b) The amount of a monthly payment under ~~par. (a) or (b) sub. (1) or (6)~~ sub. (1) or (6) for the care of a child shall equal the amount received under ~~sub. s. 48.62 (4)~~ s. 48.62 (4) by the guardian of the child for the month immediately preceding the month in which the guardianship order was granted or a lesser amount if agreed to by the guardian and specified in the agreement under sub. (2) (b). A guardian or an interim caretaker who receives a monthly payment under ~~par. (a) or (b) sub. (1) or (6)~~ sub. (1) or (6) for the care of a child is not eligible to receive a payment under ~~sub. (4) or s. 48.57 (3m) or (3n) or 48.62 (4)~~ sub. (4) or s. 48.57 (3m) or (3n) or 48.62 (4) for the care of that child.

SECTION 1332v. 48.62 (6) of the statutes is amended to read:

48.62 (6) The department or a county department may recover an overpayment made under sub. (4) ~~or (5)~~ from a foster parent, ~~guardian, or interim caretaker~~ who continues to receive those payments by reducing the amount of the ~~person's~~ foster parent's monthly payment. The department may by rule specify other methods for recovering those overpayments. A county department that recovers an overpayment under this subsection due to the efforts of its officers and employees may retain a portion of the amount recovered, as provided by the department by rule.

SECTION 1332w. 48.623 of the statutes is created to read:

48.623 Subsidized guardianships. (1) ELIGIBILITY. A county department or, in a county having a population of 750,000 or more, the department shall provide monthly subsidized guardianship payments in the amount specified in sub. (3) (b) to a guardian of a child under s. 48.977 (2) or under a substantially similar tribal law if the county department or department determines that the conditions specified in pars. (a) to (d) have been met. A county department or, in a county having a population of 750,000 or more, the department shall also provide those payments for the care of a sibling of such a child, regardless of whether the sibling meets the conditions specified in par. (a), if the county department or department and the guardian agree on the appropriateness of placing the sibling in the home of the guardian. A guardian of a child under s. 48.977 (2) or under a substantially similar tribal law is eligible for monthly subsidized guardianship payments under this subsection if the county department or, in a county having a population of 750,000 or more, the department determines that all of the following apply:

(a) The child meets all of the following conditions:

1. The child has been removed from his or her home under a voluntary agreement under s. 48.63 or under a substantially similar tribal law or under a court order containing a finding that continued placement of the child in his or her home would be contrary to the welfare of the child.

2. The child has been residing in the home of the guardian for not less than 6 consecutive months.

3. The child's situation precludes return of the child to his or her home or adoption as appropriate permanency options for the child.

4. The child demonstrates a strong attachment to the guardian.

5. If the child is 14 years of age or over, the child has been consulted with regarding the guardianship arrangement.

(b) The guardian meets all of the following conditions:

1. The guardian is a relative of the child or is a person who has a significant emotional relationship with the child and who, prior to the child's placement in out-of-

home care, had an existing relationship with the child that is similar to a familial relationship.

2. The guardian has a strong commitment to caring permanently for the child.

3. The guardian is licensed as the child's foster parent and the guardian and all adults residing in the guardian's home meet the requirements specified in s. 48.685.

5. Prior to being named as the guardian of the child, the guardian entered into a subsidized guardianship agreement under sub. (2) with the county department or department.

(c) An order under s. 48.345, 48.357, 48.363, 48.365, 938.345, 938.357, 938.363, or 938.365 placing the child, or continuing the placement of the child, outside of the child's home has been terminated, or any proceeding in which the child has been adjudged to be in need of protection or services specified in s. 48.977 (2) (a) has been dismissed, as provided in s. 48.977 (3r).

(d) If the county department or department knows or has reason to know that the child is an Indian child, the Indian child's parent, Indian custodian, and tribe have been provided with notice of the child's placement in the home of the guardian under s. 48.977 (4) (c) 2m. and the court has found under s. 48.977 (4) (g) 4. that the home of the guardian is in compliance with the order of placement preference under s. 48.028 (7) (b) or, if applicable, s. 48.028 (7) (c), unless the court found good cause, as described in s. 48.028 (7) (e), for departing from that order.

(2) SUBSIDIZED GUARDIANSHIP AGREEMENT. Before a county department or the department may approve the provision of subsidized guardianship payments under sub. (1) to a proposed guardian, the county department or department shall negotiate and enter into a written, binding subsidized guardianship agreement with the proposed guardian and provide the proposed guardian with a copy of the agreement. A subsidized guardianship agreement shall specify all of the following:

(a) The amount of the monthly subsidized guardianship payments that will be provided under the agreement and the manner in which those payments may be adjusted periodically, in consultation with the guardian, based on the circumstances of the guardian and the needs of the child.

(b) Any additional services and assistance for which the child or guardian will be eligible under the agreement, a description of those additional services and that additional assistance, and the procedures by which the guardian may apply for those additional services and that additional assistance.

(c) That the county department or department will pay the total cost of the nonrecurring expenses that are associated with obtaining guardianship of the child, not to exceed \$2,000.

(d) That the agreement shall remain in effect without regard to the state of residence of the guardian.

(e) That, in determining eligibility for adoption assistance under s. 48.975 and 42 USC 673 for the care of the child, the placement of the child in the home of the guardian and any payments made under sub. (1) shall be considered never to have been made.

(3) PAYMENTS. (c) 1. If a person who is receiving monthly subsidized guardianship payments under an agreement under sub. (2) believes that there has been a substantial change in circumstances, as defined by the department by rule promulgated under sub. (7) (a), he or she may request that the agreement be amended to increase the amount of those payments. If a request is received under this subdivision, the county department or department shall determine whether there has been a substantial change in circumstances and whether there has been a substantiated report of abuse or neglect of the child by the person receiving those payments. If there has been a substantial change in circumstances and if there has been no substantiated report of abuse or neglect of the child by that person, the county department or department shall offer to increase the amount of those payments based on criteria established by the department by rule promulgated under sub. (7) (b). If an increased monthly subsidized guardianship payment is agreed to by the person receiving those payments, the county department or department shall amend the agreement in writing to specify the increased amount of those payments.

2. Annually, a county department or the department shall review an agreement that has been amended under subd. 1. to determine whether the substantial change in circumstances that was the basis for amending the agreement continues to exist. If that substantial change in circumstances continues to exist, the agreement, as amended, shall remain in effect. If that substantial change in circumstances no longer exists, the county department or department shall offer to decrease the amount of the monthly subsidized guardianship payments provided under sub. (1) based on criteria established by the department under sub. (7) (c). If the decreased amount of those payments is agreed to by the person receiving those payments, the county department or department shall amend the agreement in writing to specify the decreased amount of those payments. If the decreased amount of those payments is not agreed to by the person receiving those payments, that person may appeal the decision of the county department or department regarding the decrease under sub. (5).

3. A county department or the department may propose to a person receiving monthly subsidized guardianship payments that the agreement under sub. (2) (b) be amended to adjust the amount of those payments. If an adjustment in the amount of those payments is agreed to by the person receiving those payments, the agreement shall be amended in writing to specify the adjusted amount of those payments.

4. An agreement under sub. (2) may be amended more than once under subd. 1. or 3.

(d) The department or a county department may recover an overpayment made under sub. (1) or (6) from a guardian or interim caretaker who continues to receive those payments by reducing the amount of the person's monthly payment. The department may by rule specify other methods for recovering those overpayments. A county department that recovers an overpayment under this paragraph due to the efforts of its officers and employees may retain a portion of the amount recovered, as provided by the department by rule.

(4) ANNUAL REVIEW. A county department or the department shall review a placement of a child for which the county department or department makes payments under sub. (1) not less than every 12 months after the county department or department begins making those payments to determine whether the child and the guardian remain eligible for those payments. If the child or the guardian is no longer eligible for those payments, the county department or department shall discontinue making those payments.

(5) APPEAL. (a) Any person whose application for payments under sub. (1) is not acted on promptly or is denied on the grounds that a condition specified in sub. (1) has not been met and any person whose payments under sub. (1) are decreased under sub. (3) (c) 2. or discontinued under sub. (4) may petition the department under par. (b) for a review of that action or failure to act. Review is unavailable if the action or failure to act arose more than 45 days before submission of the petition for review.

(b) 1. Upon receipt of a timely petition described in par. (a) the department shall give the applicant or recipient reasonable notice and an opportunity for a fair hearing. The department may make such additional investigation as it considers necessary. Notice of the hearing shall be given to the applicant or recipient and to the county department or subunit of the department whose action or failure to act is the subject of the petition. That county department or subunit of the department may be represented at the hearing. The department shall render its decision as soon as possible after the hearing and shall send a certified copy of its decision to the applicant or recipient and to the county department or subunit of the department whose action or failure to act is the subject of the petition. The decision of the department shall have the same effect as an order of the county department or subunit of the department whose action or failure to act is the subject of the petition. The decision shall be final, but may be revoked or modified as altered conditions may require. The department shall deny a petition for review or shall refuse to grant relief if any of the following applies:

a. The petitioner withdraws the petition in writing.

b. The sole issue in the petition concerns an automatic payment adjustment or change that affects an entire class of recipients and is the result of a change in state law.

c. The petitioner abandons the petition. Abandonment occurs if the petitioner fails to appear in person or by a representative at a scheduled hearing without good cause, as determined by the department.

2. If a recipient requests a hearing within 10 days after the date of notice that his or her payments under sub. (1) are being decreased or discontinued, those payments may not be decreased or discontinued until a decision is rendered after the hearing but payments made pending the hearing decision may be recovered by the department if the contested action or failure to act is upheld. The department shall promptly notify the county department or the subunit of the department whose action is the subject of the hearing that the recipient has requested a hearing. Payments under sub. (1) shall be decreased or discontinued if the recipient is contesting a state law or a change in state law and not the determination of the payment made on the recipient's behalf.

3. The recipient shall be promptly informed in writing if his or her payments under sub. (1) are to be decreased or discontinued pending the hearing decision.

(6) (d) If the county department or department knows or has reason to know that the child is an Indian child, the county department or department provides notice of the Indian child's placement in the home of the interim caretaker to the Indian child's parent, Indian custodian, and tribe and determines that the home of the interim caretaker complies with the order of placement preference under s. 48.028 (7) (b) or, if applicable, s. 48.028 (7) (c), unless the county department or department finds good cause, as described in s. 48.028 (7) (e), for departing from that order.

(7) RULES. The department shall promulgate rules to implement this section. Those rules shall include all of the following:

(a) A rule defining the substantial change in circumstances under which a person receiving monthly subsidized guardianship payments under sub. (1) may request that an agreement made under sub. (2) be amended to increase the amount of those payments.

(b) Rules establishing requirements for submitting a request under sub. (3) (c) 1. and criteria for determining the amount of the increase in monthly subsidized guardianship payments that a county department or the department shall offer if there has been a substantial change in circumstances and if there has been no substantiated report of abuse or neglect of the child by the person receiving those payments.

(c) Rules establishing the criteria for determining the amount of the decrease in monthly subsidized guardianship payments that the department shall offer under sub. (3) (c) 2. if a substantial change in circumstances no longer exists. The criteria shall provide that the amount of

the decrease offered by the department under sub. (3) (c) 2. may not result in a monthly subsidized guardianship payment that is less than the initial monthly subsidized guardianship payment provided for the child under sub. (1).

SECTION 1332x. 48.645 (1) (a) of the statutes is amended to read:

48.645 (1) (a) The child is living in a foster home licensed under s. 48.62 if a license is required under that section, in a foster home located within the boundaries of a reservation in this state and licensed by the tribal governing body of the reservation, in a group home licensed under s. 48.625, in a subsidized guardianship home under s. ~~48.62 (5)~~ 48.623, or in a residential care center for children and youth licensed under s. 48.60, and has been placed in the foster home, group home, subsidized guardianship home, or center by a county department under s. 46.215, 46.22, or 46.23, by the department, or by a governing body of an Indian tribe in this state under an agreement with a county department under s. 46.215, 46.22, or 46.23.

SECTION 1332y. 48.645 (2) (a) 1. of the statutes is amended to read:

48.645 (2) (a) 1. A nonrelative who cares for the dependent child in a foster home having a license under s. 48.62, in a foster home located within the boundaries of a reservation in this state and licensed by the tribal governing body of the reservation or in a group home licensed under s. 48.625, a subsidized guardian or interim caretaker under s. ~~48.62 (5)~~ 48.623 who cares for the dependent child, or a minor custodial parent who cares for the dependent child, regardless of the cause or prospective period of dependency. The state shall reimburse counties pursuant to the procedure under s. 48.569 (2) and the percentage rate of participation set forth in s. 48.569 (1) (d) for aid granted under this section except that if the child does not have legal settlement in the granting county, state reimbursement shall be at 100%. The county department under s. 46.215, 46.22, or 46.23 or the department under s. 48.48 (17) shall determine the legal settlement of the child. A child under one year of age shall be eligible for aid under this subsection irrespective of any other residence requirement for eligibility within this section.

SECTION 1333. 48.67 (intro.) of the statutes is amended to read:

48.67 Rules governing child welfare agencies, child care centers, foster homes, group homes, shelter care facilities, and county departments. (intro.) The department shall promulgate rules establishing minimum requirements for the issuance of licenses to, and establishing standards for the operation of, child welfare agencies, child care centers, foster homes, group homes, shelter care facilities, and county departments. Those rules shall be designed to protect and promote the health, safety, and welfare of the children in the care of all licen-

sees. The department shall consult with the department of ~~commerce~~ safety and professional services, the department of public instruction, and the child abuse and neglect prevention board before promulgating those rules. For foster homes, those rules shall include the rules promulgated under s. 48.62 (8). Those rules shall include rules that require all of the following:

SECTION 1333n. 48.685 (1) (ag) 1. b. of the statutes is amended to read:

48.685 (1) (ag) 1. b. A person who has, or is seeking, a license, certification or contract to operate an entity or who is receiving, or is seeking, payment under s. 48.623 (6) for operating an entity.

SECTION 1333p. 48.685 (1) (b) of the statutes is amended to read:

48.685 (1) (b) "Entity" means a child welfare agency that is licensed under s. 48.60 to provide care and maintenance for children, to place children for adoption, or to license foster homes; a foster home that is licensed under s. 48.62; an interim caretaker to whom subsidized guardianship payments are made under s. 48.623 (6); a group home that is licensed under s. 48.625; a shelter care facility that is licensed under s. 938.22; a child care center that is licensed under s. 48.65 or established or contracted for under s. 120.13 (14); a child care provider that is certified under s. 48.651; or a temporary employment agency that provides caregivers to another entity.

SECTION 1334. 48.685 (2) (am) 3. of the statutes is amended to read:

48.685 (2) (am) 3. Information maintained by the department of ~~regulation and licensing~~ safety and professional services regarding the status of the person's credentials, if applicable.

SECTION 1334c. 48.685 (2) (am) 5. of the statutes is amended to read:

48.685 (2) (am) 5. Information maintained by the department of health services under this section and under ss. 48.623 (6) (b), 48.651 (2m), 48.75 (1m), and 120.13 (14) regarding any denial to the person of a license, continuation or renewal of a license, certification, or a contract to operate an entity, or of payments under s. 48.623 (6) for operating an entity, for a reason specified in sub. (4m) (a) 1. to 5. and regarding any denial to the person of employment at, a contract with, or permission to reside at an entity for a reason specified in sub. (4m) (b) 1. to 5. If the information obtained under this subdivision indicates that the person has been denied a license, continuation or renewal of a license, certification, a contract, payments, employment, or permission to reside as described in this subdivision, the department, a county department, an agency contracted with under s. 48.651 (2), a child welfare agency, or a school board need not obtain the information specified in subds. 1. to 4.

SECTION 1335. 48.685 (2) (b) 1. c. of the statutes is amended to read:

48.685 (2) (b) 1. c. Information maintained by the department of ~~regulation and licensing~~ safety and professional services regarding the status of the person's credentials, if applicable.

SECTION 1335c. 48.685 (2) (b) 1. e. of the statutes is amended to read:

48.685 (2) (b) 1. e. Information maintained by the department of health services under this section and under ss. 48.623 (6) (b), 48.651 (2m), 48.75 (1m), and 120.13 (14) regarding any denial to the person of a license, continuation or renewal of a license, certification, or a contract to operate an entity, or of payments under s. 48.623 (6) for operating an entity, for a reason specified in sub. (4m) (a) 1. to 5. and regarding any denial to the person of employment at, a contract with, or permission to reside at an entity for a reason specified in sub. (4m) (b) 1. to 5. If the information obtained under this subd. 1. e. indicates that the person has been denied a license, continuation or renewal of a license, certification, a contract, payments, employment, or permission to reside as described in this subd. 1. e., the entity need not obtain the information specified in subd. 1. a. to d.

SECTION 1335d. 48.685 (2) (br) of the statutes is created to read:

48.685 (2) (br) If the person who is the subject of a search under par. (am) is seeking a license to operate a child care center under s. 48.65, certification as a child care provider under s. 48.651, or a contract under s. 120.13 (14) to operate a child care program, the department, county department, agency contracted with under s. 48.651 (2), or school board shall require the person to be fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's fingerprints. The department of justice may provide for the submission of the fingerprint cards to the federal bureau of investigation for the purposes of verifying the identity of the person fingerprinted and obtaining records of his or her criminal arrests and convictions.

SECTION 1335e. 48.685 (2) (c) 1. of the statutes is amended to read:

48.685 (2) (c) 1. If the person who is the subject of the search under par. (am) is seeking an initial license to operate a foster home or is seeking relicensure after a break in licensure, the department, county department, or child welfare agency shall request under 42 USC 16962 (b) a fingerprint-based check of the national crime information databases, as defined in 28 USC 534 (f) (3) (A). If that person is seeking subsidized guardianship payments under s. 48.623 (6), the department in a county having a population of 750,000 or more or county department shall request that fingerprint-based check. The department, county department, or child welfare agency may release any information obtained under this subdivision only as permitted under 42 USC 16962 (e).

SECTION 1335f. 48.685 (2) (c) 2. of the statutes is amended to read:

48.685 (2) (c) 2. If the person who is the subject of the search under par. (am) is seeking a license to operate a foster home or is an adult nonclient resident of the foster home and if the person or adult nonclient resident is not, or at any time within the 5 years preceding the date of the search has not been, a resident of this state, the department, county department, or child welfare agency shall check any child abuse or neglect registry maintained by any state or other U.S. jurisdiction in which the person or adult nonclient resident is a resident or was a resident within those 5 years for information that is equivalent to the information specified in par. (am) 4. If that person is seeking subsidized guardianship payments under s. 48.623 (6) or is an adult nonclient resident of the home of that person and if the person or adult nonclient resident is not, or at any time within the 5 years preceding the date of the search has not been, a resident of this state, the department in a county having a population of 750,000 or more or county department shall conduct that child abuse or neglect registry check. The department, county department, or child welfare agency may not use any information obtained under this subdivision for any purpose other than a search of the person's background under par. (am).

SECTION 1335h. 48.685 (3) (a) of the statutes is amended to read:

48.685 (3) (a) Subject to par. (am), every 4 years or at any time within that period that the department, a county department, or a child welfare agency considers appropriate, the department, county department, or child welfare agency shall request the information specified in sub. (2) (am) 1. to 5. for all caregivers specified in sub. (1) (ag) 1. b. who are licensed, certified, or contracted to operate an entity, or who are receiving payments under s. 48.623 (6) for operating an entity, and for all persons who are nonclient residents of such a caregiver. ~~child child~~

SECTION 1335k. 48.685 (4m) (a) (intro.) of the statutes is amended to read:

48.685 (4m) (a) (intro.) Notwithstanding s. 111.335, and except as provided in par. (ad) and sub. (5), the department may not license, or continue or renew the license of, a person to operate an entity, the department in a county having a population of 500,000 or more, a county department, or an agency contracted with under s. 48.651 (2) may not certify a child care provider under s. 48.651, a county department or a child welfare agency may not license, or renew the license of, a foster home under s. 48.62, the department in a county having a population of 750,000 or more or a county department may not provide subsidized guardianship payments to an interim caretaker under s. 48.623 (6), and a school board may not contract with a person under s. 120.13 (14), if the department, county department, contracted agency, child wel-

fare agency, or school board knows or should have known any of the following:

SECTION 1336. 48.685 (4m) (a) 5. of the statutes is amended to read:

48.685 (4m) (a) 5. That, in the case of a position for which the person must be credentialed by the department of ~~regulation and licensing~~ safety and professional services, the person's credential is not current or is limited so as to restrict the person from providing adequate care to a client.

SECTION 1336c. 48.685 (4m) (ad) of the statutes is amended to read:

48.685 (4m) (ad) The department, a county department, or a child welfare agency may license a foster home under s. 48.62; the department may license a child care center under s. 48.65; the department in a county having a population of 500,000 or more, a county department, or an agency contracted with under s. 48.651 (2) may certify a child care provider under s. 48.651; the department in a county having a population of 750,000 or more or a county department may provide subsidized guardianship payments to an interim caretaker under s. 48.623 (6); and a school board may contract with a person under s. 120.13 (14), conditioned on the receipt of the information specified in sub. (2) (am) and (ar) indicating that the person is not ineligible to be licensed, certified, provided payments, or contracted with for a reason specified in par. (a) 1. to 5.

SECTION 1337. 48.685 (4m) (b) 5. of the statutes is amended to read:

48.685 (4m) (b) 5. That, in the case of a position for which the person must be credentialed by the department of ~~regulation and licensing~~ safety and professional services, the person's credential is not current or is limited so as to restrict the person from providing adequate care to a client.

SECTION 1337c. 48.685 (5) (a) of the statutes is amended to read:

48.685 (5) (a) Subject to pars. (bm) and (br), the department may license to operate an entity, the department in a county having a population of 500,000 or more, a county department, or an agency contracted with under s. 48.651 (2) may certify under s. 48.651, a county department or a child welfare agency may license under s. 48.62, the department in a county having a population of 750,000 or more or a county department may provide subsidized guardianship payments under s. 48.623 (6), and a school board may contract with under s. 120.13 (14) a person who otherwise may not be licensed, certified, or contracted with for a reason specified in sub. (4m) (a) 1. to 5., and an entity may employ, contract with, or permit to reside at the entity a person who otherwise may not be employed, provided payments, contracted with, or permitted to reside at the entity for a reason specified in sub. (4m) (b) 1. to 5., if the person demonstrates to the depart-

ment, the county department, the contracted agency, the child welfare agency, or the school board or, in the case of an entity that is located within the boundaries of a reservation, to the person or body designated by the Indian tribe under sub. (5d) (a) 3., by clear and convincing evidence and in accordance with procedures established by the department by rule or by the tribe that he or she has been rehabilitated.

SECTION 1337e. 48.685 (5) (bm) (intro.) of the statutes is amended to read:

48.685 (5) (bm) (intro.) For purposes of licensing a foster home for the placement of a child on whose behalf foster care maintenance payments under s. 48.62 (4) will be provided or of providing subsidized guardianship payments to an interim caretaker under s. 48.623 (6), no person who has been convicted of any of the following offenses may be permitted to demonstrate that he or she has been rehabilitated:

SECTION 1339e. 48.685 (5m) of the statutes is amended to read:

48.685 (5m) Notwithstanding s. 111.335, the department may refuse to license a person to operate an entity, a county department or a child welfare agency may refuse to license a foster home under s. 48.62, the department in a county having a population of 750,000 or more or a county department may refuse to provide subsidized guardianship payments to a person under s. 48.623 (6), and an entity may refuse to employ or contract with a caregiver or permit a nonclient resident to reside at the entity if the person has been convicted of an offense that is not a serious crime, but that is, in the estimation of the department, county department, child welfare agency, or entity, substantially related to the care of a client. Notwithstanding s. 111.335, the department may refuse to license a person to operate a child care center, the department in a county having a population of 500,000 or more, a county department, or an agency contracted with under s. 48.651 (2) may refuse to certify a child care provider under s. 48.651, a school board may refuse to contract with a person under s. 120.13 (14), and a child care center that is licensed under s. 48.65 or established or contracted for under s. 120.13 (14) or a child care provider that is certified under s. 48.651 may refuse to employ or contract with a caregiver or permit a nonclient resident to reside at the child care center or child care provider if the person has been convicted of or adjudicated delinquent on or after his or her 12th birthday for an offense that is not a serious crime, but that is, in the estimation of the department, county department, contracted agency, school board, child care center, or child care provider, substantially related to the care of a client.

SECTION 1339f. 48.685 (6) (a) of the statutes is amended to read:

48.685 (6) (a) The department shall require any person who applies for issuance, continuation, or renewal of a license to operate an entity, the department in a county

having a population of 500,000 or more, a county department, or an agency contracted with under s. 48.651 (2) shall require any child care provider who applies for initial certification under s. 48.651 or for renewal of that certification, a county department or a child welfare agency shall require any person who applies for issuance or renewal of a license to operate a foster home under s. 48.62, the department in a county having a population of 750,000 or more or a county department shall require any person who applies for subsidized guardianship payments under s. 48.623 (6), and a school board shall require any person who proposes to contract with the school board under s. 120.13 (14) or to renew a contract under that subsection, to complete a background information form that is provided by the department.

SECTION 1340. 48.78 (2) (g) of the statutes is amended to read:

48.78 (2) (g) Paragraph (a) does not prohibit an agency from disclosing information about an individual in its care or legal custody on the written request of the department of ~~regulation and licensing~~ safety and professional services or of any interested examining board or affiliated credentialing board in that department for use in any investigation or proceeding relating to any alleged misconduct by any person who is credentialed or who is seeking credentialing under ch. 448, 455 or 457. Unless authorized by an order of the court, the department of ~~regulation and licensing~~ safety and professional services and any examining board or affiliated credentialing board in that department shall keep confidential any information obtained under this paragraph and may not disclose the name of or any other identifying information about the individual who is the subject of the information disclosed, except to the extent that redisclosure of that information is necessary for the conduct of the investigation or proceeding for which that information was obtained.

SECTION 1341r. 48.975 (4) (a) of the statutes is amended to read:

48.975 (4) (a) Except in extenuating circumstances, as defined by the department by rule promulgated under sub. (5) (a), a written agreement to provide adoption assistance shall be made prior to adoption. An agreement to provide adoption assistance may be made only for a child who, at the time of placement for adoption, is in the guardianship of the department or other agency authorized to place children for adoption, in the guardianship of an American Indian tribal agency in this state, or in a subsidized guardianship under s. 48.62 (5) ~~48.623~~.

SECTION 1341v. 48.977 (3r) of the statutes is amended to read:

48.977 (3r) SUBSIDIZED GUARDIANSHIP. ~~Subject to s. 48.62 (5) (d), if a county department or, in a county having a population of 500,000 or more, the department has determined under s. 48.62 (5) (a) 2. that appointing a guardian under sub. (2) for a child who does not meet the conditions specified under s. 48.62 (5) (a) 1. and provid-~~

ing Subsidized guardianship payments under s. 48.623 (1) may not be made to a guardian of a child unless a subsidized guardianship agreement under s. 48.623 (2) is entered into before the guardianship order is granted and the court either terminates any order specified in sub. (2) (a) or dismisses any proceeding in which the child has been adjudicated in need of protection or services as specified in sub. (2) (a). If a child's permanency plan calls for placement of the child in the home of a guardian and the provision of monthly subsidized guardianship payments to the guardian are in the best interests of the child, the petitioner under sub. (4) (a) shall include in the petition under sub. (4) (b) a statement of that determination the determinations made under s. 48.623 (1) and a request for the court to include in the court's findings under sub. (4) (d) a finding confirming that determination those determinations. If the court confirms that determination and those determinations, appoints a guardian for the child under sub. (2), and either terminates any order specified in sub. (2) (a) or dismisses any proceeding in which the child is adjudicated to be in need of protection or services as specified in sub. (2) (a), the county department or, in a county having a population of 750,000 or more, department shall provide monthly subsidized guardianship payments to the guardian under s. 48.62 (5) 48.623 (1).

SECTION 1341w. 48.977 (4) (g) 4. of the statutes is amended to read:

48.977 (4) (g) 4. If the child is an Indian child, the order of placement preference under s. 48.028 (7) (b) or, if applicable, s. 48.028 (7) (c), unless the court finds good cause, as described in s. 48.028 (7) (e), for departing from that order. A strong attachment of the child to the person or a strong commitment of the person to caring permanently for the child does not, in itself, constitute good cause for departing from that order.

SECTION 1342. 48.981 (3m) (b) (intro.) of the statutes is amended to read:

48.981 (3m) (b) (intro.) The department shall establish a pilot program under which an agency in a county having a population of 500,000 or more or a county department that is selected to participate in the pilot program may employ alternative responses to a report of abuse or neglect or of threatened abuse or neglect. The department shall select an agency in a county having a population of 500,000 or more and not more than 4 agencies and county departments to participate in the pilot program in accordance with the department's request-for-proposal procedures and according to criteria developed by the department. Those criteria shall include an assessment of the plan of an agency or county department for involving the community in providing services for a family that is participating in the pilot program and a determination of whether an agency or a county department has an agreement with local law enforcement agencies and the representative of the public under s. 48.09 to

ensure interagency cooperation in implementing the pilot program. To implement the pilot program, the department shall provide all of the following:

SECTION 1342e. 48.983 (2) of the statutes is amended to read:

48.983 (2) FUNDS PROVIDED. (a) If a county, private agency, or Indian tribe applies and is selected by the department under sub. (5) to participate in the program under this section, the department shall award, from the appropriation under s. 20.437 (1) (ab), a grant annually to be used only for the purposes specified in sub. (4) (a) and (am). The minimum amount of a grant is \$10,000. The county, private agency, or Indian tribe shall agree to match at least 25 percent of the grant amount annually in funds or in-kind contributions.

(b) The department shall determine the amount of a grant awarded to a county, private agency, or Indian tribe under this section in excess of the minimum amount based on the need of the county, private agency, or Indian tribe for a grant, as determined by a formula that the department shall promulgate by rule. That formula shall determine that need based on the number of births that are funded by Medical Assistance under subch. IV of ch. 49 in that county, the area in which that private agency is providing services, or the reservation of that Indian tribe and on the rate of poor birth outcomes, including infant mortality, premature births, low birth weights, and racial or ethnic disproportionality in the rates of those outcomes, in that county, the area in which that private agency is providing services, or the reservation of that Indian tribe.

SECTION 1342f. 48.983 (2) (c) of the statutes is created to read:

48.983 (2) (c) The department shall allocate 10 percent of the funds available from the appropriation account under s. 20.437 (1) (ab) in each fiscal year for grants under this section to counties, private agencies, or Indian tribes that have not previously received those grants.

SECTION 1346. 49.143 (2r) of the statutes is amended to read:

49.143 (2r) JOB PROGRAMS. A Wisconsin Works agency shall collaborate with the local workforce development board to connect individuals seeking employment with employment opportunities, including the trial job program under s. 49.147 (3) and, if operating in the geographical area in which the Wisconsin Works agency administers Wisconsin Works, the transitional jobs demonstration project under s. 49.162.

SECTION 1347c. 49.147 (2) (a) 1. of the statutes is amended to read:

49.147 (2) (a) 1. An individual who applies for a Wisconsin ~~works~~ Works employment position may be required by the Wisconsin ~~works~~ Works agency to search for unsubsidized employment during the period that his or her application is being processed as a condition of eli-

gibility. A participant in a Wisconsin works Works employment position or who is receiving case management services under par. (am) shall search for unsubsidized employment throughout his or her participation. The department shall define by rule satisfactory search efforts for unsubsidized employment.

SECTION 1347d. 49.147 (2) (a) 2. of the statutes is amended to read:

49.147 (2) (a) 2. A Wisconsin works Works agency may require an applicant for a Wisconsin works Works employment position to participate in job orientation during the period that his or her application is being processed as a condition of eligibility. A Wisconsin works Works agency may require a participant in a Wisconsin works Works employment position or who is receiving case management services under par. (am) to engage in training activities in accordance with rules promulgated by the department as part of the participant's participation requirements.

SECTION 1347e. 49.147 (2) (am) of the statutes is created to read:

49.147 (2) (am) *Case management services.* 1. In lieu of placing the individual in a Wisconsin Works employment position under subs. (3) to (5), a Wisconsin Works agency may provide case management services, which may include those services specified in s. 49.1475, to an individual who applies for a Wisconsin Works employment position if the Wisconsin Works agency determines all of the following:

a. The individual meets the eligibility requirements under s. 49.145 (2) and (3).

b. The individual is willing to work and has no barriers to employment that cannot be addressed with Wisconsin Works services.

c. The individual is job-ready, based on the individual's employment history or education.

d. The most appropriate placement for the individual is in unsubsidized employment.

2. A Wisconsin Works agency shall, every 30 days, review the provision of case management services to an individual under this paragraph, if the individual is not successful in obtaining unsubsidized employment after legitimate efforts to secure employment, to determine whether the individual should be placed in a trial job, community service job, or transitional placement. The department shall promulgate rules that specify the criteria for the review process under this subdivision.

SECTION 1347f. 49.147 (2) (b) of the statutes is amended to read:

49.147 (2) (b) *Job search assistance.* A Wisconsin works Works agency shall assist a participant in his or her search for unsubsidized employment. In determining an appropriate placement for a participant, a Wisconsin works Works agency shall give priority to placement in unsubsidized employment and providing case manage-

ment services under par. (am) over placements under subs. (3) to (5).

SECTION 1348. 49.147 (3) (c) of the statutes is created to read:

49.147 (3) (c) *Time-limited participation.* A participant under this subsection may participate in a trial job for a maximum of 3 months, with an opportunity for a 3-month extension under circumstances determined by the Wisconsin Works agency. A participant may participate in more than one trial job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension of the 24-month limit on a case-by-case basis if the participant has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable job opportunity for that participant, as determined by a Wisconsin Works agency and approved by the department.

SECTION 1349. 49.147 (4) (as) of the statutes is amended to read:

49.147 (4) (as) *Required hours.* Except as provided in pars. (at) and (av) and sub. (5m), a Wisconsin Works agency shall require a participant placed in a community service job program to work in a community service job for the number of hours determined by the Wisconsin Works agency to be appropriate for the participant at the time of application or review and may require a participant to participate in education or training activities for not more than 10 hours per week, except that the Wisconsin Works agency may not require a participant under this subsection to spend more than 40 hours per week in combined activities under this subsection.

SECTION 1350. 49.147 (4) (b) of the statutes is created to read:

49.147 (4) (b) *Time-limited participation.* An individual may participate in a community service job for a maximum of 6 months, with an opportunity for a 3-month extension under circumstances approved by the department. An individual may participate in more than one community service job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension to the 24-month limit on a case-by-case basis if the Wisconsin Works agency determines that the individual has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable employment opportunity in unsubsidized employment for that participant, as determined by a Wisconsin Works agency and approved by the department, and if the Wisconsin

Works agency determines, and the department agrees, that no trial job opportunities are available in the specified local labor market.

SECTION 1351. 49.147 (5) (b) (intro.) of the statutes is renumbered 49.147 (5) (b) 1. (intro.) and amended to read:

49.147 (5) (b) 1. (intro.) The Wisconsin ~~works~~ Works agency shall assign a participant under this subsection to work activities such as a community rehabilitation program, as defined by the department, a job similar to a community service job, or a volunteer activity. A Wisconsin ~~works~~ Works agency may require a participant under this subsection to participate in any of the following:

SECTION 1352. 49.147 (5) (b) 1m. of the statutes is renumbered 49.147 (5) (b) 1. a. and amended to read:

49.147 (5) (b) 1. a. An alcohol and other drug abuse evaluation, assessment, and treatment program.

SECTION 1353. 49.147 (5) (b) 2. of the statutes is created to read:

49.147 (5) (b) 2. An individual may participate in a transitional placement for a maximum of 24 months. The months need not be consecutive. This period may be extended on a case-by-case basis by the department or by the Wisconsin Works agency with the approval of the department.

SECTION 1354. 49.147 (5) (b) 2m. of the statutes is renumbered 49.147 (5) (b) 1. b.

SECTION 1355. 49.147 (5) (b) 3. of the statutes is renumbered 49.147 (5) (b) 1. c.

SECTION 1356. 49.147 (5) (b) 4. of the statutes is renumbered 49.147 (5) (b) 1. d. and amended to read:

49.147 (5) (b) 1. d. Other activities that the Wisconsin ~~works~~ Works agency determines are consistent with the capabilities of the individual.

SECTION 1357. 49.147 (5) (bs) of the statutes is amended to read:

49.147 (5) (bs) *Required hours.* Except as provided in par. (bt) and sub. (5m), a Wisconsin Works agency may require a participant placed in a transitional placement to participate in education or training activities for not more than 12 hours per week and to engage in activities under par. (b) 1m. to 4. ~~The Wisconsin Works agency, but~~ may not require a participant under this subsection to spend more than 40 hours per week in combined activities under this subsection.

SECTION 1357f. 49.147 (5) (bs) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.147 (5) (bs) *Required hours.* Except as provided in par. (bt) and sub. (5m), a Wisconsin Works agency may require a participant placed in a transitional placement to participate in education or training activities for not more than 12 hours per week and to engage in activities under par. (b) ~~1m. to 4.~~ 1., but may not require a participant

under this subsection to spend more than 40 hours per week in combined activities under this subsection.

SECTION 1358. 49.148 (1) (b) 1. of the statutes is amended to read:

49.148 (1) (b) 1. Except as provided in subd. 1m., for a participant in a community service job under s. 49.147 (4), a monthly grant of ~~\$673~~ \$653, paid by the Wisconsin ~~works~~ Works agency. For every hour that the participant misses work or education or training activities without good cause, the grant amount shall be reduced by ~~\$5.15~~ \$5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse. If a participant in a community service job under s. 49.147 (4) is required to work fewer than 30 hours per week because the participant has unsubsidized employment, as defined in s. 49.147 (1) (c), the grant amount under this paragraph shall equal the amount specified under subd. 1m. minus ~~\$5.15~~ \$5 for each hour that the participant misses work or education or training activities without good cause.

SECTION 1359. 49.148 (1) (b) 1m. d. of the statutes is amended to read:

49.148 (1) (b) 1m. d. For a participant placed in a community service job for more than 20 hours per week, ~~\$673~~ \$653.

SECTION 1360. 49.148 (1) (b) 3. of the statutes is amended to read:

49.148 (1) (b) 3. For a participant in a community service job who participates in technical college education under s. 49.147 (5m), a monthly grant of ~~\$673~~ \$653, paid by the Wisconsin ~~works~~ Works agency. For every hour that the participant misses work or other required activities without good cause, the grant amount shall be reduced by ~~\$5.15~~ \$5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

SECTION 1361. 49.148 (1) (c) of the statutes is amended to read:

49.148 (1) (c) *Transitional placements.* For a participant in a transitional placement under s. 49.147 (5) or in a transitional placement and in technical college education under s. 49.147 (5m), a grant of ~~\$628~~ \$608, paid monthly by the Wisconsin Works agency. For every hour that the participant fails to participate in any required activity without good cause, including any activity under s. 49.147 (5) (b) 1m. to 4., the grant amount shall be reduced by ~~\$5.15~~ \$5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

SECTION 1361f. 49.148 (1) (c) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.148 (1) (c) *Transitional placements.* For a participant in a transitional placement under s. 49.147 (5) or in a transitional placement and in technical college education under s. 49.147 (5m), a grant of \$608, paid monthly by the Wisconsin Works agency. For every hour that the participant fails to participate in any required activity without good cause, including any activity under s. 49.147 (5) (b) ~~1m. to 4. l. a. to d.~~, the grant amount shall be reduced by \$5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

SECTION 1361s. 49.148 (1m) (a) 1. of the statutes is amended to read:

49.148 (1m) (a) 1. A custodial parent of a child ~~42~~ 8 weeks old or less who meets the eligibility requirements under s. 49.145 (2) and (3), unless another adult member of the custodial parent's Wisconsin Works group is participating in, or is eligible to participate in, a Wisconsin Works employment position or is employed in unsubsidized employment, as defined in s. 49.147 (1) (c).

SECTION 1362. 49.148 (1m) (c) (intro.) of the statutes is amended to read:

49.148 (1m) (c) (intro.) For purposes of the time ~~limit~~ limits under ~~s. ss.~~ 49.145 (2) (n) and 49.147 (3) (c), (4) (b), and (5) (b) 2., all of the following apply:

SECTION 1363. 49.148 (4) (b) of the statutes is amended to read:

49.148 (4) (b) The Wisconsin Works agency may require an individual who tests positive for use of a controlled substance under par. (a) to participate in a drug abuse evaluation, assessment, and treatment program as part of the participation requirement under s. 49.147 (4) ~~(a) and (am) (as) or (5) (b) and (bm) (bs).~~

SECTION 1364. 49.151 (1) (b) of the statutes is amended to read:

49.151 (1) (b) The participant, or an individual who is in the participant's Wisconsin Works group and who is subject to the work requirement under s. 49.15 (2), fails, without good cause, as determined by the Wisconsin Works agency, to appear for an interview with a prospective employer or, if the participant is in a Wisconsin Works transitional placement, the participant fails to appear for an assigned activity, including an activity under s. 49.147 (5) (b) ~~4m. to 4. l. a. to d.~~, without good cause, as determined by the Wisconsin Works agency.

SECTION 1365. 49.1515 (title) of the statutes is amended to read:

49.1515 (title) Determining nonparticipation without good cause.

SECTION 1366. 49.1515 (2) of the statutes is repealed.

SECTION 1367. 49.1515 (3) of the statutes is repealed.

SECTION 1367c. 49.152 (1) of the statutes is amended to read:

49.152 (1) **PETITION FOR REVIEW.** Any individual whose application for any component of Wisconsin ~~works~~ Works is not acted upon by the Wisconsin ~~works~~ Works agency with reasonable promptness after the filing of the application, as defined by the department by rule, or is denied in whole or in part, whose benefit is modified or canceled, or who believes that the benefit was calculated incorrectly ~~or~~, that the employment position in which the individual was placed is inappropriate, or that providing case management services under s. 49.147 (2) (am) in lieu of placement in a Wisconsin Works employment position is inappropriate. may petition the Wisconsin ~~works~~ Works agency for a review of such action. Review is unavailable if the action by the Wisconsin ~~works~~ Works agency occurred more than 45 days prior to submission of the petition for review.

SECTION 1367e. 49.152 (3) (a) of the statutes is amended to read:

49.152 (3) (a) If, following review under sub. (2), the Wisconsin ~~works~~ Works agency or the department determines that an individual, whose application for a Wisconsin ~~works~~ Works employment position was denied based on eligibility, was in fact eligible, or that the individual was placed in an inappropriate Wisconsin ~~works~~ Works employment position or inappropriately provided case management services under s. 49.147 (2) (am) in lieu of placement in a Wisconsin Works employment position, the Wisconsin ~~works~~ Works agency shall place the individual in the first available Wisconsin ~~works~~ Works employment position that is appropriate for that individual, as determined by the Wisconsin ~~works~~ Works agency or the department. An individual who is placed in a Wisconsin ~~works~~ Works employment position under this paragraph is eligible for the benefit for that position under s. 49.148 beginning on the date on which the individual begins participation under s. 49.147.

SECTION 1368. 49.153 (1) (am) of the statutes is repealed.

SECTION 1369. 49.153 (1) (bm) of the statutes is renumbered 49.153 (1) (a) and amended to read:

49.153 (1) (a) ~~After providing the explanation under par. (am), provide~~ Provide to the participant written notice of the proposed action and of the reasons for the proposed action.

SECTION 1370. 49.153 (1) (c) of the statutes is amended to read:

49.153 (1) (c) After providing the ~~explanation or the attempts to provide an explanation under par. (am) and the notice under par. (bm), if the participant has not already been afforded a conciliation period under s. 49.1515 (3) (a),~~ allow the participant a reasonable time to rectify the deficiency, failure, or other behavior to avoid the proposed action.

SECTION 1371. 49.153 (2) of the statutes is amended to read:

49.153 (2) RULES. The department shall promulgate rules that establish procedures for the notice and explanation under sub. (1) (a) and that define "reasonable attempts" for the purpose of sub. (1) (am) and "reasonable time" for the purpose of sub. (1) (c).

SECTION 1373. 49.155 (1g) (ac) of the statutes is amended to read:

49.155 (1g) (ac) A child care scholarship and bonus program, in the amount of at least ~~\$3,475,000~~ \$3,975,000 per fiscal year.

SECTION 1374. 49.155 (1g) (c) of the statutes is amended to read:

49.155 (1g) (c) Child care licensing activities, in the amount of at least ~~\$5,763,900~~ \$8,767,000 per fiscal year.

SECTION 1375. 49.155 (1g) (g) of the statutes is created to read:

49.155 (1g) (g) Contracts and grants to implement the child care quality rating system under s. 48.659.

SECTION 1376. 49.155 (1h) of the statutes is repealed.

SECTION 1376n. 49.155 (1m) (a) 1m. b. of the statutes is amended to read:

49.155 (1m) (a) 1m. b. The individual has not yet attained the age of 18 years and the individual resides with his or her custodial parent or with a kinship care relative under s. 48.57 (3m) or with a long-term kinship care relative under s. 48.57 (3n) or is in a foster home licensed under s. 48.62, a subsidized guardianship home under s. 48.62 (5) ~~48.623~~, a group home, or an independent living arrangement supervised by an adult.

SECTION 1377e. 49.155 (1m) (bm) of the statutes is amended to read:

49.155 (1m) (bm) If the individual is providing care for a child under a court order and is receiving payments on behalf of the child under s. 48.57 (3m) or (3n) or ~~48.62 (5) 48.623~~, or if the individual is a foster parent, and child care is needed for that child, the child meets the requirement under s. 49.145 (2) (c).

SECTION 1377f. 49.155 (1m) (c) 1g. of the statutes is amended to read:

49.155 (1m) (c) 1g. If the individual is a foster parent of the child or a subsidized guardian or interim caretaker of the child under s. ~~48.62 (5) 48.623~~, the child's biological or adoptive family has a gross income that is at or below 200% of the poverty line. In calculating the gross income of the child's biological or adoptive family, the department or county department or agency determining eligibility shall include court-ordered child or family support payments received by the individual, if those support payments exceed \$1,250 per month, and income described under s. 49.145 (3) (b) 1. and 3.

SECTION 1378c. 49.155 (3m) (d) of the statutes is renumbered 49.155 (3m) (d) 1. and amended to read:

49.155 (3m) (d) 1. No funds distributed under par. (a) may be used for child care services that are provided for

a child by a child care provider who is the parent of the child or who resides with the child, ~~unless the county determines that the care is necessary because of a special health condition of the child.~~

SECTION 1378d. 49.155 (3m) (d) 2., 3. and 4. of the statutes are created to read:

49.155 (3m) (d) 2. If a child's parent is a child care provider, no funds distributed under par. (a) may be used for child care services that are provided for the child by another child care provider who is not the child's parent.

3. Subdivision 1. or 2. does not apply if the child's parent has applied for, and been granted, a waiver of the prohibition under subd. 1. or 2. by the county department or agency or by the department.

4. The department shall by rule specify the circumstances, or standards for determining the circumstances, under which the department will grant a waiver under subd. 3.

SECTION 1378g. 49.155 (4) of the statutes is renumbered 49.155 (4) (a).

SECTION 1378h. 49.155 (4) (b) of the statutes is created to read:

49.155 (4) (b) 1. Except as provided in subd. 2., no eligible individual may benefit personally from any marketing or promotional offerings made by a child care provider to attract clients or increase business.

2. Subdivision 1. does not apply to marketing or promotional offerings that directly benefit an eligible individual's child for whom the child care provider is providing child care services.

SECTION 1379. 49.155 (6) (e) of the statutes is renumbered 49.155 (6) (e) 2. and amended to read:

49.155 (6) (e) 2. ~~The~~ Except as provided in subd. 3., ~~the~~ department may not increase the maximum reimbursement rates for child care providers ~~in 2009, in 2010, or before June 30 in 2011, 2013.~~

SECTION 1380. 49.155 (6) (e) 1. of the statutes is created to read:

49.155 (6) (e) 1. In this paragraph, "quality rating plan" means the plan for implementing the child care quality rating system under s. 48.659 submitted by the department under 2009 Wisconsin Act 28, section 9108 (7f).

SECTION 1381. 49.155 (6) (e) 3. of the statutes is created to read:

49.155 (6) (e) 3. Beginning on July 1, 2012, the department may modify a child care provider's reimbursement rate under subd. 2. on the basis of the provider's quality rating, as described in the quality rating plan, in the following manner:

a. For a child care provider who receives a 1-star rating, the department shall deny reimbursement.

b. For a child care provider who receives a 2-star rating, the department may reduce the maximum reimbursement rate by up to 5 percent.

c. For a child care provider who receives a 3-star rating, the department may pay up to the maximum reimbursement rate.

d. For a child care provider who receives a 4-star rating, the department may increase the maximum reimbursement rate by up to 5 percent.

e. For a child care provider who receives a 5-star rating, the department may increase the maximum reimbursement rate by up to 10 percent, except that beginning on January 1, 2013, the department may increase the maximum reimbursement rate for such a child care provider by up to 25 percent.

SECTION 1382. 49.155 (6) (e) 4. of the statutes is created to read:

49.155 (6) (e) 4. The department may use a severity-index tool, as described in the quality rating plan, to disqualify child care providers who receive a low quality rating, as described in the quality rating plan, from receiving payment under this section.

SECTION 1382g. 49.155 (6) (e) 5. of the statutes is created to read:

49.155 (6) (e) 5. For purposes of modifying reimbursement rates under subd. 3., the department shall assign a child care provider that is accredited from the Council on Accreditation a 4-star rating or 5-star rating, whichever the department determines is appropriate.

SECTION 1383. 49.155 (6d) of the statutes is created to read:

49.155 (6d) COST-SAVING MEASURES. (a) To reduce costs under the program under this section, the department may do any of the following:

1. Notwithstanding sub. (1m), implement a waiting list for receipt of a child care subsidy under this section, except that a Wisconsin Works program participant may not be placed on any waiting list implemented under this subdivision.

2. Notwithstanding sub. (5), increase the copayment amount that an individual must pay toward the cost of child care received under this section.

3. Notwithstanding sub. (6), adjust the amount of reimbursement paid to child care providers providing child care services under this section.

4. Notwithstanding sub. (1m), adjust the gross income levels for eligibility for receipt of a child care subsidy under this section.

(b) If the department intends to take any of the actions under par. (a), the department shall submit to the joint committee on finance a report that sets out its plan for implementing the cost-saving measures.

SECTION 1384c. 49.159 (3) of the statutes is amended to read:

49.159 (3) OTHER CUSTODIAL PARENTS. A custodial parent in a Wisconsin works Works group in which the other custodial parent is a participant in a Wisconsin works Works employment position or is receiving case management services under s. 49.147 (2) (am) is eligible

for employment training and job search assistance services provided by the Wisconsin works Works agency.

SECTION 1385. 49.162 of the statutes, as affected by 2009 Wisconsin Act 333 and 2011 Wisconsin Act ... (this act), is repealed.

SECTION 1385c. 49.162 (3) (am) 5. of the statutes is created to read:

49.162 (3) (am) 5. Host sites for employing individuals or placing work crews under this section must be businesses that are operated for profit, except that in the case of a natural disaster for which the governor has declared a state of emergency under s. 323.10, the department shall give a preference to any work crew placement or host site involved in natural disaster recovery.

SECTION 1386. 49.165 (2) (c) (intro.) of the statutes is amended to read:

49.165 (2) (c) (intro.) No grant may be made to an organization which provides or will provide shelter facilities unless the department of ~~commerce~~ safety and professional services determines that the physical plant of the facility will not be dangerous to the health or safety of the residents when the facility is in operation. No grant may be given to an organization which provides or will provide shelter facilities or private home shelter care unless the organization ensures that the following services will be provided either by that organization or by another organization, person or agency:

SECTION 1388. 49.175 (1) (intro.) of the statutes, as affected by 2009 Wisconsin Act 28, section 1227, is amended to read:

49.175 (1) ALLOCATION OF FUNDS. (intro.) Except as provided in sub. (2), within the limits of the appropriations under s. 20.437 (2) (a), (cm), (dz), (k), (kx), (L), (mc), (md), (me), ~~(mf)~~, and (s), the department shall allocate the following amounts for the following purposes:

SECTION 1389. 49.175 (1) (a) of the statutes is amended to read:

49.175 (1) (a) *Wisconsin Works benefits.* For Wisconsin Works benefits, ~~\$49,139,400~~ \$74,650,100 in fiscal year ~~2009-10~~ 2011-12 and ~~\$51,229,600~~ \$72,131,500 in fiscal year ~~2010-11~~ 2012-13.

SECTION 1390. 49.175 (1) (b) of the statutes is amended to read:

49.175 (1) (b) *Wisconsin Works administration.* For administration of Wisconsin Works performed under contracts under s. 49.143, ~~\$8,247,000~~ \$10,107,200 in fiscal year ~~2009-10~~ 2011-12 and ~~\$8,247,000~~ \$10,107,200 in fiscal year ~~2010-11~~ 2012-13.

SECTION 1391. 49.175 (1) (f) of the statutes is amended to read:

49.175 (1) (f) *Wisconsin Works ancillary services.* For program services under Wisconsin Works provided under contracts under s. 49.143, ~~\$38,471,500~~ \$47,229,300 in fiscal year ~~2009-10~~ 2011-12 and ~~\$35,471,500~~ \$47,229,300 in fiscal year ~~2010-11~~ 2012-13.

SECTION 1392. 49.175 (1) (g) of the statutes is amended to read:

49.175 (1) (g) *State administration of public assistance programs and costs of overpayment collections.* For state administration of public assistance programs and costs associated with the collection of public assistance overpayments, ~~\$16,985,900 in fiscal year 2009-10 and \$17,091,700~~ \$12,918,900 in each fiscal year 2010-11.

SECTION 1393. 49.175 (1) (i) of the statutes is amended to read:

49.175 (1) (i) *Emergency assistance.* For emergency assistance under s. 49.138, ~~\$6,500,000 and for transfer to the department of administration for low-income energy or weatherization assistance programs, \$6,200,000~~ in fiscal year 2009-10 2011-12 and \$6,000,000 in fiscal year 2010-11 2012-13.

SECTION 1393L. 49.175 (1) (L) of the statutes is created to read:

49.175 (1) (L) *Transitional jobs demonstration project.* For the transitional jobs demonstration project under s. 49.162, \$12,000,000 in fiscal year 2011-12.

SECTION 1394. 49.175 (1) (p) of the statutes is amended to read:

49.175 (1) (p) *Direct child care services.* For direct child care services under s. 49.155, ~~\$384,987,600 \$301,631,000~~ in fiscal year 2009-10 2011-12 and ~~\$402,496,800~~ \$298,523,500 in fiscal year 2010-11 2012-13.

SECTION 1395. 49.175 (1) (q) of the statutes is amended to read:

49.175 (1) (q) *Child care state administration and child care licensing activities.* For administration of child care programs under s. 49.155 and the allocation under s. 49.155 (1g) (c) for child care licensing activities, ~~\$8,534,700 \$19,702,100~~ in fiscal year 2009-10 2011-12 and ~~\$8,889,700~~ \$19,783,800 in fiscal year 2010-11 2012-13.

SECTION 1396. 49.175 (1) (qm) of the statutes is amended to read:

49.175 (1) (qm) *Quality care for quality kids.* For the child care quality improvement activities specified in s. 49.155 (1g), ~~\$5,384,600 \$13,486,700~~ in fiscal year 2009-10 2011-12 and ~~\$5,384,600~~ \$13,169,400 in fiscal year 2010-11 2012-13.

SECTION 1397. 49.175 (1) (r) of the statutes is amended to read:

49.175 (1) (r) *Children of recipients of supplemental security income.* For payments made under s. 49.775 for the support of the dependent children of recipients of supplemental security income, ~~\$29,899,800 in fiscal year 2009-10 and \$29,933,200~~ \$31,232,200 in each fiscal year thereafter.

SECTION 1398. 49.175 (1) (s) of the statutes is amended to read:

49.175 (1) (s) *Kinship care, long-term kinship care, and foster care assistance.* For the kinship care and long-term kinship care programs under s. 48.57 (3m), (3n), and (3p) and for foster care for relatives under s. 48.62, ~~\$24,435,000 in fiscal year 2009-10 and \$24,435,000~~ \$21,375,800 in each fiscal year 2010-11.

SECTION 1399. 49.175 (1) (v) of the statutes is created to read:

49.175 (1) (v) *Program improvement plan.* For services provided under the child welfare program improvement plan developed under 45 CFR 1355.35, \$680,400 in fiscal year 2011-12 and \$1,360,800 in each fiscal year thereafter.

SECTION 1400. 49.175 (1) (zh) of the statutes, as affected by 2011 Wisconsin Act 13, is amended to read:

49.175 (1) (zh) *Earned income tax credit supplement.* For the transfer of moneys from the appropriation account under s. 20.437 (2) (md) to the appropriation account under s. 20.835 (2) (kf) for the earned income tax credit, ~~\$6,664,200 in fiscal year 2009-10 and~~ \$43,664,200 in each fiscal year 2010-11.

SECTION 1402m. 49.197 (1m) of the statutes is amended to read:

49.197 (1m) **FRAUD INVESTIGATION.** From the appropriations under s. 20.437 (2) (dz), (kx), (L), (mc), (md), (me), and (nL), the department shall establish a program to investigate suspected fraudulent activity on the part of recipients of aid to families with dependent children under s. 49.19, on the part of participants in the Wisconsin Works program under ss. 49.141 to 49.161, and, if the department of health services contracts with the department under sub. (5), on the part of recipients of medical assistance under subch. IV, food stamp benefits under the food stamp program under 7 USC 2011 to 2036, supplemental security income payments under s. 49.77, payments for the support of children of supplemental security income recipients under s. 49.775, and health care benefits under the Badger Care health care program under s. 49.665. The department's activities under this subsection may include, but are not limited to, comparisons of information provided to the department by an applicant and information provided by the applicant to other federal, state, and local agencies, development of an advisory welfare investigation prosecution standard, and provision of funds to county departments under ss. 46.215, 46.22, and 46.23 or multicounty consortia, as defined in s. 49.78 (1) (br), and to Wisconsin Works agencies to encourage activities to detect fraud. The department shall cooperate with district attorneys regarding fraud prosecutions.

SECTION 1405g. 49.197 (2) of the statutes is repealed and recreated to read:

49.197 (2) **INCENTIVE PROGRAM FOR LOCAL FRAUD DETECTION.** (a) In this subsection:

1. "County department" means a county department under s. 46.22 or 46.23.

2. "Subsidy program" means the child care subsidy program under s. 49.155.

3. "Tribal governing body" means an elected governing body of a federally recognized American Indian tribe.

(b) 1. Subject to subd. 2., the department shall by rule establish an incentive program that, using moneys from the allocation under s. 49.175 (1) (p), rewards county departments, Wisconsin Works agencies, and tribal governing bodies that administer the subsidy program for identifying fraud in the subsidy program. The rules shall specify that a county department, Wisconsin Works agency, or tribal governing body shall receive, for identifying fraudulent activity under the subsidy program on the part of a child care provider, an amount equal to the average monthly subsidy payment per child during the prior fiscal year, multiplied by the number of children participating in the subsidy program for whom the provider provides care, multiplied by 1.5 months. A county department, Wisconsin Works agency, or tribal governing body may use payments received under this subsection for any purpose for which moneys under the Temporary Assistance for Needy Families block grant program may be used under federal law.

2. No later than January 1, 2012, the department shall submit its plan for the incentive program to the cochairpersons of the joint committee on finance for review by the committee. If the cochairpersons of the committee do not notify the department that the committee has scheduled a meeting for the purpose of reviewing the proposed plan within 14 working days after the date of the department's submittal, the department shall promulgate the rules for the incentive program in accordance with its proposed plan. If, within 14 working days after the date of the department's submittal, the cochairpersons of the committee notify the department that the committee has scheduled a meeting for the purpose of reviewing the proposed plan, the department may not promulgate the rules for the incentive program unless the committee approves the proposed plan. If the committee modifies and approves the proposed plan, the department may promulgate the rules for the incentive program only as modified by the committee.

SECTION 1408m. 49.197 (4) of the statutes is amended to read:

49.197 (4) COUNTY AND TRIBAL ERROR REDUCTION. If the department of health services contracts with the department under sub. (5), the department shall provide funds from the appropriation under s. 20.437 (2) (kx) to counties, multicounty consortia, as defined in s. 49.78 (1) (br), and governing bodies of federally recognized American Indian tribes administering Medical Assistance under subch. IV, the food stamp program under 7 USC 2011 to 2036, the supplemental security income payments program under s. 49.77, the program providing

payments for the support of children of supplemental security income recipients under s. 49.775, and the Badger Care health care program under s. 49.665 to offset administrative costs of reducing payment errors in those programs.

SECTION 1415. 49.265 (4) (a) of the statutes is amended to read:

49.265 (4) (a) The department shall distribute the federal community services block grant funds received under 42 USC 9903 and ~~deposited in~~ credited to the ~~appropriations~~ appropriation account under s. 20.437 (4) ~~(mc) and (md)~~ (2) (mg).

SECTION 1420m. 49.43 (2r) of the statutes is created to read:

49.43 (2r) "County," "county department," and "county department under s. 46.215, 46.22, or 46.23" includes a multicounty consortium in accordance with a contract under s. 49.78 (2).

SECTION 1422m. 49.43 (8m) of the statutes is created to read:

49.43 (8m) "Multicounty consortium" has the meaning given in s. 49.78 (1) (br).

SECTION 1423k. 49.45 (2m) of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (2m) AUTHORIZATION FOR MODIFICATIONS TO PROGRAMS: STUDY. (a) In this subsection, "Medical Assistance program" includes any program operated under this subchapter, demonstration program operated under 42 USC 1315, and program operated under a waiver of federal law relating to medical assistance that is granted by the federal department of health and human services.

(b) The department shall study potential changes to the Medical Assistance state plan and to waivers of federal law relating to medical assistance obtained from the federal department of health and human services for all of the following purposes:

1. Increasing the cost effectiveness and efficiency of care and the care delivery system for Medical Assistance programs.

2. Limiting switching from private health insurance to Medical Assistance programs.

3. Ensuring the long-term viability and sustainability of Medical Assistance programs.

4. Advancing the accuracy and reliability of eligibility for Medical Assistance programs and claims determinations and payments.

5. Improving the health status of individuals who receive benefits under a Medical Assistance program.

6. Aligning Medical Assistance program benefit recipient and service provider incentives with health care outcomes.

7. Supporting responsibility and choice of medical assistance recipients.

(c) Subject to par. (d), if the department determines, as a result of the study under par. (b), that revision of

existing statutes or rules would be necessary to advance a purpose described in par. (b) 1. to 7., the department may propose a policy that makes any of the following changes related to Medical Assistance programs:

1. Requires cost sharing from program benefit recipients up to the maximum allowed by federal law or a waiver of federal law.
2. Authorizes providers to deny care or services if a program benefit recipient is unable to share costs, to the extent allowed by federal law or waiver.
3. Modifies existing benefits or establishes various benefit packages and offers different packages to different groups of recipients.
4. Revises provider reimbursement models for particular services.
5. Mandates that program benefit recipients enroll in managed care.
6. Restricts or eliminates presumptive eligibility.
7. To the extent permitted by federal law, imposes restrictions on providing benefits to individuals who are not citizens of the United States.
8. Sets standards for establishing and verifying eligibility requirements.
9. Develops standards and methodologies to assure accurate eligibility determinations and redetermines continuing eligibility.
10. Reduces income levels for purposes of determining eligibility to the extent allowed by federal law or waiver and subject to the limitations under par. (e) 2.

(d) Before implementing a policy proposed under par. (c) that conflicts with a statute, and before submitting any amendment or waiver request under par. (e) that is necessary to implement any such policy, the department shall submit to the joint committee on finance the proposed amendment or waiver request and estimates of the projected cost savings associated with that amendment or waiver request. If the cochairpersons of the committee do not notify the department within 14 working days after the date of the department's submittal that the committee has scheduled a meeting for the purpose of reviewing the proposed amendment or waiver request, the proposed amendment or waiver request may be submitted to the federal department of health and human services. If, within 14 working days after the date of the department's submittal, the cochairpersons of the committee notify the department that the committee has scheduled a meeting for the purpose of reviewing the proposed amendment or waiver request, the proposed amendment or waiver requested may be submitted only on approval of the committee.

(e) 1. Subject to par. (d), the department shall submit an amendment to the state Medical Assistance plan or request a waiver of federal laws related to medical assistance, if necessary, to the extent necessary to implement any policy created under par. (c). If the federal department of health and human services does not allow the

amendment or does not grant the waiver, the department may not implement the policy.

2. The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to have in effect eligibility standards, methodologies, and procedures under the state Medical Assistance plan or waivers of federal laws related to medical assistance that are more restrictive than those in place on March 23, 2010. If the waiver request does not receive federal approval before December 31, 2011, the department shall reduce income levels on July 1, 2012, for the purposes of determining eligibility to 133 percent of the federal poverty line for adults who are not pregnant and not disabled, to the extent permitted under 42 USC 1396a (gg), if the department follows the procedures under 42 USC 1396a (gg) (3).

(f) Within 90 days after the effective date of this paragraph [LRB inserts date], and every 90 days thereafter, the department shall submit to the joint committee on finance a report that contains all of the following information:

1. An updated description of any Medical Assistance program changes implemented by the department, including any amendments to the Medical Assistance state plan.
2. An updated estimate of the projected savings associated with any changes described under subd. 1.
3. An updated projection of the total Medical Assistance program benefit expenditures during the fiscal biennium and an analysis of how these projected expenditures compare to the funding provided in the 2011-13 biennial budget act.

SECTION 1423m. 49.45 (2m) of the statutes, as affected by 2011 Wisconsin Act (this act), is repealed.

SECTION 1424p. 49.45 (3) (n) of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (3) (n) This subsection does not apply if the department creates a policy under sub. (2m) (c) 4., to the extent that the policy conflicts with this subsection.

SECTION 1424q. 49.45 (3) (n) of the statutes, as affected by 2011 Wisconsin Act (this act), is repealed.

SECTION 1427. 49.45 (5m) (am) of the statutes is amended to read:

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

SECTION 1428. 49.45 (6m) (a) 6. of the statutes is amended to read:

49.45 (6m) (a) 6. "Resource Utilization Groupings III" means a comparative resource utilization grouping that classifies each facility resident based on information obtained from performing, for the resident, a minimum data set assessment developed by the federal Centers for Medicare and Medicaid Services.

SECTION 1429. 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

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

SECTION 1430. 49.45 (6m) (ag) 3p. a. of the statutes is amended to read:

49.45 (6m) (ag) 3p. a. The system shall ~~shall~~ may incorporate acuity measurements under the most recent Resource Utilization Groupings III methodology to determine factors for case-mix adjustment.

SECTION 1430c. 49.45 (6m) (ar) 1. a. of the statutes is amended to read:

49.45 (6m) (ar) 1. a. The department shall establish standards for payment of allowable direct care costs under par. (am) 1. bm., for facilities that do not primarily serve the developmentally disabled, that take into account direct care costs for a sample of all of those facilities in this state and separate standards for payment of allowable direct care costs, for facilities that primarily serve the developmentally disabled, that take into account direct care costs for a sample of all of those facilities in this state. The standards shall be adjusted by the department for regional labor cost variations. The department shall treat as a single labor region the counties of Dane, Dodge, Iowa, Columbia, Sauk, and Rock and shall adjust payment so that the direct care cost targets of facilities in Dane, Iowa, Columbia, and Sauk counties are not reduced as a result of including facilities in Dodge and Rock County Counties in this labor region. For facilities in Douglas, Dunn, Pierce, and St. Croix counties, the department shall perform the adjustment by use of the wage index that is used by the federal department of health and human services for hospital reimbursement under 42 USC 1395 to 1395ggg.

SECTION 1430d. 49.45 (6m) (n) of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (6m) (n) This subsection does not apply if the department creates a policy under sub. (2m) (c) 4., to the extent that the policy conflicts with this subsection.

SECTION 1430e. 49.45 (6m) (n) of the statutes, as affected by 2011 Wisconsin Act (this act), is repealed.

SECTION 1431. 49.45 (6tw) of the statutes is amended to read:

49.45 (6tw) PAYMENTS TO CITY HEALTH DEPARTMENTS. From the appropriation account under s. 20.435 (7) (b), if the department selects the payment procedure under s. 49.45 (52) (a), the department may make payments to local health departments, as defined under s. 250.01 (4) (a) 3. Payment under this subsection to such a local health department may not exceed on an annualized basis payment made by the department to the local health department under s. 49.45 (6t), 2003 stats., for services provided by the local health department in 2002.

SECTION 1432. 49.45 (6v) (b) of the statutes is amended to read:

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

SECTION 1433d. 49.45 (6x) (a) of the statutes is renumbered 49.45 (6x) (a) (intro.) and amended to read:

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

SECTION 1433f. 49.45 (6x) (a) 1. to 3. of the statutes are created to read:

49.45 (6x) (a) 1. Not more than \$2,997,700 in fiscal year 2011-12 and not more than \$2,988,700 in each fiscal year after fiscal year 2011-12 to an essential access city hospital that has previously received the supplemental payment for being an essential access city hospital.

2. Not more than \$999,200 in fiscal year 2011-12 and not more than \$996,200 in each fiscal year after fiscal year 2011-12 to a hospital that would qualify for an essential access city hospital supplemental payment, under the criteria described in the 2010-11 inpatient hospital state plan, except that the hospital did not meet the criteria to be an essential access city hospital during fiscal year 1995-96.

3. If the federal department of health and human services allows the payment, \$300,000 from the appropriation account under s. 20.435 (4) (b) annually to a hospital that meets all of the following criteria:

a. The hospital is located in a city that has a municipal border that is also a state border.

b. The hospital has a Medical Assistance recipient patient mix that consists of at least 25 percent of residents from a state that borders this state.

c. The hospital is located in a city with a poverty level, as determined from the 2000 U.S. census, that is greater than 5 percent.

d. The hospital is located in a city with a population of less than 15,000 people.

SECTION 1434. 49.45 (6y) (a) of the statutes is amended to read:

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

SECTION 1435. 49.45 (6z) (a) (intro.) of the statutes is amended to read:

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

SECTION 1435y. 49.45 (8) (b) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (8) (b) Unless otherwise provided by the department by a policy created under sub. (2m) (c), reimbursement under s. 20.435 (4) (b), (gm), (o), and (w) for home health services provided by a certified home health agency or independent nurse shall be made at the home health agency's or nurse's usual and customary fee per patient care visit, subject to a maximum allowable fee per patient care visit that is established under par. (c).

SECTION 1436b. 49.45 (8) (b) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (8) (b) ~~Unless otherwise provided by the department by a policy created under sub. (2m) (c), reimbursement~~ **Reimbursement** under s. 20.435 (4) (b), (gm), (o), and (w) for home health services provided by a certified home health agency or independent nurse shall be made at the home health agency's or nurse's usual and customary fee per patient care visit, subject to a maximum allowable fee per patient care visit that is established under par. (c).

SECTION 1436h. 49.45 (8) (c) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (8) (c) The department shall establish a maximum statewide allowable fee per patient care visit, for each type of visit with respect to provider, that may be no greater than the cost per patient care visit, as determined by the department from cost reports of home health agencies, adjusted for costs related to case management, care coordination, travel, record keeping and supervision, unless otherwise provided by the department by a policy created under sub. (2m) (c).

SECTION 1436i. 49.45 (8) (c) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (8) (c) The department shall establish a maximum statewide allowable fee per patient care visit, for each type of visit with respect to provider, that may be no greater than the cost per patient care visit, as determined by the department from cost reports of home health agencies, adjusted for costs related to case management, care coordination, travel, record keeping and supervision, ~~unless otherwise provided by the department by a policy created under sub. (2m) (c).~~

SECTION 1436y. 49.45 (8r) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (8r) **PAYMENT FOR CERTAIN OBSTETRIC AND GYNECOLOGICAL CARE.** Unless otherwise provided by the department by a policy created under sub. (2m) (c), the rate of payment for obstetric and gynecological care provided in primary care shortage areas, as defined in s. 36.60 (1) (cm), or provided to recipients of medical assistance who reside in primary care shortage areas, that is equal to 125% of the rates paid under this section to primary care physicians in primary care shortage areas, shall be paid to all certified primary care providers who provide obstetric or gynecological care to those recipients.

SECTION 1437b. 49.45 (8r) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (8r) **PAYMENT FOR CERTAIN OBSTETRIC AND GYNECOLOGICAL CARE.** ~~Unless otherwise provided by the department by a policy created under sub. (2m) (c), the~~

The rate of payment for obstetric and gynecological care provided in primary care shortage areas, as defined in s. 36.60 (1) (cm), or provided to recipients of medical assistance who reside in primary care shortage areas, that is equal to 125% of the rates paid under this section to primary care physicians in primary care shortage areas, shall be paid to all certified primary care providers who provide obstetric or gynecological care to those recipients.

SECTION 1437e. 49.45 (8v) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (8v) INCENTIVE-BASED PHARMACY PAYMENT SYSTEM. The department shall establish a system of payment to pharmacies for legend and over-the-counter drugs provided to recipients of medical assistance that has financial incentives for pharmacists who perform services that result in savings to the medical assistance program. Under this system, the department shall establish a schedule of fees that is designed to ensure that any incentive payments made are equal to or less than the documented savings unless otherwise provided by the department by a policy created under sub. (2m) (c). The department may discontinue the system established under this subsection if the department determines, after performance of a study, that payments to pharmacists under the system exceed the documented savings under the system.

SECTION 1437f. 49.45 (8v) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (8v) INCENTIVE-BASED PHARMACY PAYMENT SYSTEM. The department shall establish a system of payment to pharmacies for legend and over-the-counter drugs provided to recipients of medical assistance that has financial incentives for pharmacists who perform services that result in savings to the medical assistance program. Under this system, the department shall establish a schedule of fees that is designed to ensure that any incentive payments made are equal to or less than the documented savings ~~unless otherwise provided by the department by a policy created under sub. (2m) (c).~~ The department may discontinue the system established under this subsection if the department determines, after performance of a study, that payments to pharmacists under the system exceed the documented savings under the system.

SECTION 1437h. 49.45 (9p) of the statutes is created to read:

49.45 (9p) PRIOR AUTHORIZATION PROHIBITED FOR WHEELCHAIR REPAIRS. (a) In this subsection, "recipient of medical assistance" means an individual who receives medical assistance under any of the following:

1. A program operated under this subchapter.
2. A demonstration program operated under 42 USC 1315.

3. A program operated under a waiver of federal law relating to medical assistance that is granted by the federal department of health and human services.

(b) The department may not require any person to obtain prior authorization from the department for a repair to a wheelchair used by a recipient of medical assistance that satisfies the following criteria:

1. If the repair is to a power wheelchair, the cost of the repair is less than \$300.
2. If the repair is to a manual wheelchair, the cost of the repair is less than \$150.
3. The cost of the repair is a covered benefit under the program of which the individual is a recipient.

SECTION 1437j. 49.45 (18) (ac) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (18) (ac) Except as provided in pars. (am) to (d), and subject to par. (ag), any person eligible for medical assistance under s. 49.46, 49.468, or 49.47, or for the benefits under s. 49.46 (2) (a) and (b) under s. 49.471 shall pay up to the maximum amounts allowable under 42 CFR 447.53 to 447.58 for purchases of services provided under s. 49.46 (2). The service provider shall collect the specified or allowable copayment, coinsurance, or deductible, unless the service provider determines that the cost of collecting the copayment, coinsurance, or deductible exceeds the amount to be collected. The department shall reduce payments to each provider by the amount of the specified or allowable copayment, coinsurance, or deductible. Unless otherwise provided by the department by a policy created under sub. (2m) (c), no provider may deny care or services because the recipient is unable to share costs, but an inability to share costs specified in this subsection does not relieve the recipient of liability for these costs.

SECTION 1437k. 49.45 (18) (ac) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (18) (ac) Except as provided in pars. (am) to (d), and subject to par. (ag), any person eligible for medical assistance under s. 49.46, 49.468, or 49.47, or for the benefits under s. 49.46 (2) (a) and (b) under s. 49.471 shall pay up to the maximum amounts allowable under 42 CFR 447.53 to 447.58 for purchases of services provided under s. 49.46 (2). The service provider shall collect the specified or allowable copayment, coinsurance, or deductible, unless the service provider determines that the cost of collecting the copayment, coinsurance, or deductible exceeds the amount to be collected. The department shall reduce payments to each provider by the amount of the specified or allowable copayment, coinsurance, or deductible. ~~Unless otherwise provided by the department by a policy created under sub. (2m) (c), no~~ No provider may deny care or services because the recipient

is unable to share costs, but an inability to share costs specified in this subsection does not relieve the recipient of liability for these costs.

SECTION 1437n. 49.45 (18) (ag) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (18) (ag) (intro.) Except as provided in pars. (am), (b), and (c), and subject to par. (d), a recipient specified in par. (ac) shall pay all of the following, unless otherwise provided by the department by a policy created under sub. (2m) (c):

SECTION 1437o. 49.45 (18) (ag) (intro.) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (18) (ag) (intro.) Except as provided in pars. (am), (b), and (c), and subject to par. (d), a recipient specified in par. (ac) shall pay all of the following, ~~unless otherwise provided by the department by a policy created under sub. (2m) (c):~~

SECTION 1437q. 49.45 (18) (b) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (18) (b) (intro.) Unless otherwise provided by the department by a policy created under sub. (2m) (c), the following services are not subject to recipient cost sharing under this subsection:

SECTION 1437r. 49.45 (18) (b) (intro.) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (18) (b) (intro.) ~~Unless otherwise provided by the department by a policy created under sub. (2m) (c),~~ The following services are not subject to recipient cost sharing under this subsection:

SECTION 1437t. 49.45 (18) (d) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (18) (d) No person who designates a pharmacy or pharmacist as his or her sole provider of prescription drugs and who so uses that pharmacy or pharmacist is liable under this subsection for more than \$12 per month for prescription drugs received, unless otherwise provided by the department by a policy created under sub. (2m) (c).

SECTION 1437u. 49.45 (18) (d) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (18) (d) No person who designates a pharmacy or pharmacist as his or her sole provider of prescription drugs and who so uses that pharmacy or pharmacist is liable under this subsection for more than \$12 per month for prescription drugs received, ~~unless otherwise provided by the department by a policy created under sub. (2m) (c).~~

SECTION 1438d. 49.45 (23) (a) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (23) (a) The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to conduct a demonstration project to provide health care coverage for basic primary and preventive care to adults who are under the age of 65, who have family incomes not to exceed 200 percent of the poverty line, and who are not otherwise eligible for medical assistance under this subchapter, the Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395 et seq. If the department creates a policy under sub. (2m) (c) 10., this paragraph does not apply to the extent that it conflicts with the policy.

SECTION 1438e. 49.45 (23) (a) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (23) (a) The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to conduct a demonstration project to provide health care coverage for basic primary and preventive care to adults who are under the age of 65, who have family incomes not to exceed 200 percent of the poverty line, and who are not otherwise eligible for medical assistance under this subchapter, the Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395 et seq. ~~If the department creates a policy under sub. (2m) (c) 10., this paragraph does not apply to the extent that it conflicts with the policy.~~

SECTION 1438h. 49.45 (23) (b) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (23) (b) If the waiver is granted and in effect, the department may promulgate rules defining the health care benefit plan, including more specific eligibility requirements and cost-sharing requirements. Unless otherwise provided by the department by a policy created under sub. (2m) (c), cost sharing may include an annual enrollment fee, which may not exceed \$75 per year. Notwithstanding s. 227.24 (3), the plan details under this subsection may be promulgated as an emergency rule under s. 227.24 without a finding of emergency. If the waiver is granted and in effect, the demonstration project under this subsection shall begin on January 1, 2009, or on the effective date of the waiver, whichever is later.

SECTION 1438i. 49.45 (23) (b) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (23) (b) If the waiver is granted and in effect, the department may promulgate rules defining the health care benefit plan, including more specific eligibility requirements and cost-sharing requirements. ~~Unless otherwise provided by the department by a policy created under sub. (2m) (c),~~ cost Cost sharing may include an annual enrollment fee, which may not exceed \$75 per year. Notwithstanding s. 227.24 (3), the plan details

under this subsection may be promulgated as an emergency rule under s. 227.24 without a finding of emergency. If the waiver is granted and in effect, the demonstration project under this subsection shall begin on January 1, 2009, or on the effective date of the waiver, whichever is later.

SECTION 1438L. 49.45 (24g) (c) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (24g) (c) The department's proposal under par. (a) shall specify increases in reimbursement rates for providers that satisfy the conditions under par. (a) 1. or 2., and shall provide for payment of a monthly per-patient care coordination fee to those providers. The department shall set the increases in reimbursement rates and the monthly per-patient care coordination fee so that together they provide sufficient incentive for providers to satisfy a condition under par. (a) 1. or 2. The proposal shall specify effective dates for the increases in reimbursement rates and the monthly per-patient care coordination fee that are no sooner than July 1, 2011. If the department creates a policy under sub. (2m) (c) 4., this paragraph does not apply to the extent that it conflicts with the policy.

SECTION 1438m. 49.45 (24g) (c) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (24g) (c) The department's proposal under par. (a) shall specify increases in reimbursement rates for providers that satisfy the conditions under par. (a) 1. or 2., and shall provide for payment of a monthly per-patient care coordination fee to those providers. The department shall set the increases in reimbursement rates and the monthly per-patient care coordination fee so that together they provide sufficient incentive for providers to satisfy a condition under par. (a) 1. or 2. The proposal shall specify effective dates for the increases in reimbursement rates and the monthly per-patient care coordination fee that are no sooner than July 1, 2011. ~~If the department creates a policy under sub. (2m) (c) 4., this paragraph does not apply to the extent that it conflicts with the policy.~~

SECTION 1439. 49.45 (24m) (intro.) of the statutes is amended to read:

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

SECTION 1439n. 49.45 (24r) of the statutes, as affected by 2011 Wisconsin Act (this act), is repealed.

SECTION 1439w. 49.45 (24r) (a) of the statutes is amended to read:

49.45 (24r) (a) The department shall implement any waiver granted by the secretary of the federal department

of health and human services to permit the department to conduct a demonstration project to provide family planning, as defined in s. 253.07 (1) (a), under medical assistance to any woman between the ages of 15 and 44 whose family income does not exceed 200% of the poverty line for a family the size of the woman's family. If the department creates a policy under sub. (2m) (c) 10., this paragraph does not apply to the extent that it conflicts with the policy.

SECTION 1439x. 49.45 (24r) (b) of the statutes is amended to read:

49.45 (24r) (b) The department may request an amended waiver from the secretary to permit the department to conduct a demonstration project to provide family planning to any man between the ages of 15 and 44 whose family income does not exceed 200 percent of the poverty line for a family the size of the man's family. If the amended waiver is granted, the department may implement the waiver. If the department creates a policy under sub. (2m) (c) 10., this paragraph does not apply to the extent that it conflicts with the policy.

SECTION 1441b. 49.45 (24s) of the statutes is created to read:

49.45 (24s) FAMILY PLANNING PROJECT. (a) The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to provide optional services for family planning, as defined in s. 253.07 (1) (a), under medical assistance to any female between the ages of 15 and 44 whose family income does not exceed 200 percent of the poverty line for a family the size of the female's family, unless otherwise provided by the department by a policy created under sub. (2m) (c) 10. The department shall implement any waiver granted.

(b) The department shall request a waiver, or an amendment to the waiver requested under par. (a), from the secretary of the federal department of health and human services to require all of the following:

1. As a condition of receiving services under par. (a), parental notification for family planning services for any female under 18 years of age.

2. The department to determine eligibility to receive family planning services under par. (a) for a female under 18 years of age using the family income of the female's parent or guardian instead of only the female's income.

SECTION 1441bg. 49.45 (24s) (a) of the statutes, as created by 2011 Wisconsin Act (this act), is amended to read:

49.45 (24s) (a) The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to provide optional services for family planning, as defined in s. 253.07 (1) (a), under medical assistance to any female between the ages of 15 and 44 whose family income does not exceed 200 percent of the poverty line for a family the size of the female's family, ~~unless otherwise provided by~~

~~the department by a policy created under sub. (2m) (c) 10.~~
The department shall implement any waiver granted.

SECTION 1441c. 49.45 (25g) (c) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (25g) (c) The department's proposal under par. (b) shall specify increases in reimbursement rates for providers that satisfy the conditions under par. (b), and shall provide for payment of a monthly per-patient care coordination fee to those providers. The department shall set the increases in reimbursement rates and the monthly per-patient care coordination fee so that together they provide sufficient incentive for providers to satisfy a condition under par. (b) 1. or 2. The proposal shall specify effective dates for the increases in reimbursement rates and the monthly per-patient care coordination fee that are no sooner than January 1, 2011. The increases in reimbursement rates and monthly per-patient care coordination fees that are not provided by the federal government shall be paid from the appropriation under s. 20.435 (1) (am). If the department creates a policy under sub. (2m) (c) 4., this paragraph does not apply to the extent it conflicts with the policy.

SECTION 1441d. 49.45 (25g) (c) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (25g) (c) The department's proposal under par. (b) shall specify increases in reimbursement rates for providers that satisfy the conditions under par. (b), and shall provide for payment of a monthly per-patient care coordination fee to those providers. The department shall set the increases in reimbursement rates and the monthly per-patient care coordination fee so that together they provide sufficient incentive for providers to satisfy a condition under par. (b) 1. or 2. The proposal shall specify effective dates for the increases in reimbursement rates and the monthly per-patient care coordination fee that are no sooner than January 1, 2011. The increases in reimbursement rates and monthly per-patient care coordination fees that are not provided by the federal government shall be paid from the appropriation under s. 20.435 (1) (am). ~~If the department creates a policy under sub. (2m) (c) 4., this paragraph does not apply to the extent it conflicts with the policy.~~

SECTION 1441f. 49.45 (27) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (27) ELIGIBILITY OF ALIENS. A person who is not a U.S. citizen or an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law may not receive medical assistance benefits except as provided under 8 USC 1255a (h) (3) or 42 USC 1396b (v), unless otherwise provided by the department by a policy created under sub. (2m) (c).

SECTION 1441g. 49.45 (27) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (27) ELIGIBILITY OF ALIENS. A person who is not a U.S. citizen or an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law may not receive medical assistance benefits except as provided under 8 USC 1255a (h) (3) or 42 USC 1396b (v), ~~unless otherwise provided by the department by a policy created under sub. (2m) (c).~~

SECTION 1442g. 49.45 (39) (b) 1. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.45 (39) (b) 1. 'Payment for school medical services.' If a school district or a cooperative educational service agency elects to provide school medical services and meets all requirements under par. (c), the department shall reimburse the school district or the cooperative educational service agency for 60% of the federal share of allowable charges for the school medical services that it provides, unless otherwise provided by the department by a policy created under sub. (2m) (c), and, as specified in subd. 2., for allowable administrative costs. If the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing elects to provide school medical services and meets all requirements under par. (c), the department shall reimburse the department of public instruction for 60% of the federal share of allowable charges for the school medical services that the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing provides, unless otherwise provided by the department by a policy created under sub. (2m) (c), and, as specified in subd. 2., for allowable administrative costs. A school district, cooperative educational service agency, the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing may submit, and the department shall allow, claims for common carrier transportation costs as a school medical service unless the department receives notice from the federal health care financing administration that, under a change in federal policy, the claims are not allowed. If the department receives the notice, a school district, cooperative educational service agency, the Wisconsin Center for the Blind and Visually Impaired, or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing may submit, and the department shall allow, unreimbursed claims for common carrier transportation costs incurred before the date of the change in federal policy. The department shall promulgate rules establishing a methodology for making reimbursements under this paragraph. All other expenses for the school medical services provided by a school district or a cooperative educational

service agency shall be paid for by the school district or the cooperative educational service agency with funds received from state or local taxes. The school district, the Wisconsin Center for the Blind and Visually Impaired, the Wisconsin Educational Services Program for the Deaf and Hard of Hearing, or the cooperative educational service agency shall comply with all requirements of the federal department of health and human services for receiving federal financial participation.

SECTION 1442h. 49.45 (39) (b) 1. of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.45 (39) (b) 1. 'Payment for school medical services.' If a school district or a cooperative educational service agency elects to provide school medical services and meets all requirements under par. (c), the department shall reimburse the school district or the cooperative educational service agency for 60% of the federal share of allowable charges for the school medical services that it provides, ~~unless otherwise provided by the department by a policy created under sub. (2m) (e),~~ and, as specified in subd. 2., for allowable administrative costs. If the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing elects to provide school medical services and meets all requirements under par. (c), the department shall reimburse the department of public instruction for 60% of the federal share of allowable charges for the school medical services that the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing provides, ~~unless otherwise provided by the department by a policy created under sub. (2m) (e),~~ and, as specified in subd. 2., for allowable administrative costs. A school district, cooperative educational service agency, the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing may submit, and the department shall allow, claims for common carrier transportation costs as a school medical service unless the department receives notice from the federal health care financing administration that, under a change in federal policy, the claims are not allowed. If the department receives the notice, a school district, cooperative educational service agency, the Wisconsin Center for the Blind and Visually Impaired, or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing may submit, and the department shall allow, unreimbursed claims for common carrier transportation costs incurred before the date of the change in federal policy. The department shall promulgate rules establishing a methodology for making reimbursements under this paragraph. All other expenses for the school medical services provided by a school district or a cooperative educational service agency shall be paid for by the school district or the cooperative educational service agency with funds

received from state or local taxes. The school district, the Wisconsin Center for the Blind and Visually Impaired, the Wisconsin Educational Services Program for the Deaf and Hard of Hearing, or the cooperative educational service agency shall comply with all requirements of the federal department of health and human services for receiving federal financial participation.

SECTION 1443. 49.45 (51) (a) of the statutes is amended to read:

49.45 (51) (a) By November 1 annually, the department shall provide to the department of revenue information concerning the estimated amounts of supplements payable from the appropriation accounts under s. 20.435 (4) (b) and (gm) to specific local governmental units for the provision of transportation for medical care, as specified under s. 49.46 (2) (b) 3., during the fiscal year. Beginning November 1, 2004, the information that the department provides under this paragraph shall include any adjustments necessary to reflect actual claims submitted by service providers in the previous fiscal year.

SECTION 1444. 49.45 (52) (title) of the statutes is amended to read:

49.45 (52) (title) PAYMENT ADJUSTMENTS; FEDERAL FUNDING FOR CERTAIN SERVICES.

SECTION 1445. 49.45 (52) of the statutes is renumbered 49.45 (52) (a) 1. and amended to read:

49.45 (52) (a) 1. Beginning on January 1, 2003 If the department provides the notice under par. (c) selecting the payment procedure in this paragraph, the department may, from the appropriation account under s. 20.435 (7) (b), make Medical Assistance payment adjustments to county departments under s. 46.215, 46.22, 46.23, or 51.42, or 51.437 or to local health departments, as defined in s. 250.01 (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16., except for services specified under s. 49.46 (2) (b) 6. b. and c. provided to children participating in the early intervention program under s. 51.44. Payment adjustments under this subsection paragraph shall include the state share of the payments. The total of any payment adjustments under this subsection paragraph and Medical Assistance payments made from appropriation accounts under s. 20.435 (4) (b), (gm), (o), and (w), may not exceed applicable limitations on payments under 42 USC 1396a (a) (30) (A).

SECTION 1446. 49.45 (52) (a) 2. of the statutes is created to read:

49.45 (52) (a) 2. The department may require a county department or local health department to submit a certified cost report that meets the requirements of the federal department of health and human services for covered services described in subd. 1.

SECTION 1447. 49.45 (52) (b) of the statutes is created to read:

49.45 (52) (b) If the department provides the notice under par. (c) selecting the payment procedure in this paragraph, all of the following apply:

1. Annually, a county department under s. 46.215, 46.22, 46.23, 51.42, or 51.437 shall submit a certified cost report that meets the requirements of the federal department of health and human services for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16., except for services specified under s. 49.46 (2) (b) 6. b. and c. provided to children participating in the early intervention program under s. 51.44.

2. For services described under subd. 1., the department shall base the amount of a claim for federal medical assistance funds on certified cost reports submitted by county departments under subd. 1. to the extent the reports comply with federal requirements.

3. The department shall pay county departments a percentage of the federal funds claimed under subd. 2. for services described under subd. 1., which percentage is established in the most recent biennial budget.

4. The department may pay a local health department, as defined in s. 250.01 (4), that submits certified cost reports for services described under subd. 1. a percentage of the federal funds claimed for those services, which percentage is established in the most recent biennial budget.

SECTION 1448. 49.45 (52) (c) of the statutes is created to read:

49.45 (52) (c) The department shall select a payment procedure under either par. (a) or (b) and may change which procedure under par. (a) or (b) is selected. The department shall notify each county department and local health department, as applicable, of the selected payment procedure before the date on which payment for services is made under that selected or newly selected procedure.

SECTION 1449. 49.45 (53) of the statutes is amended to read:

49.45 (53) PAYMENTS FOR CERTAIN SERVICES. Beginning on January 1, 2003, the department may, from the appropriation account under s. 20.435 (7) (b), make Medical Assistance payments to providers for covered services under ss. 49.46 (2) (a) 4. d. and (b) 6. j. and m. and 49.471 (11) (f) that are provided before January 1, 2012.

SECTION 1453e. 49.46 (1) (n) of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.46 (1) (n) If the department creates a policy under s. 49.45 (2m) (c) 8., 9., or 10., this subsection does not apply to the extent that it conflicts with the policy.

SECTION 1453f. 49.46 (1) (n) of the statutes, as created by 2011 Wisconsin Act ... (this act), is repealed.

SECTION 1453h. 49.46 (2) (a) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.46 (2) (a) (intro.) Except as provided in par. (be) and unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the department shall audit and pay allowable charges to certified providers for medical assistance on behalf of recipients for the following federally mandated benefits:

SECTION 1453i. 49.46 (2) (a) (intro.) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.46 (2) (a) (intro.) Except as provided in par. (be) and unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the department shall audit and pay allowable charges to certified providers for medical assistance on behalf of recipients for the following federally mandated benefits:

SECTION 1453k. 49.46 (2) (b) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.46 (2) (b) (intro.) Except as provided in pars. (be) and (dc) and unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the department shall audit and pay allowable charges to certified providers for medical assistance on behalf of recipients for the following services:

SECTION 1453L. 49.46 (2) (b) (intro.) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.46 (2) (b) (intro.) Except as provided in pars. (be) and (dc) and unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the department shall audit and pay allowable charges to certified providers for medical assistance on behalf of recipients for the following services:

SECTION 1453m. 49.46 (2) (c) 2. of the statutes is amended to read:

49.46 (2) (c) 2. For an individual who is entitled to coverage under ~~part Part~~ Part A of medicare Medicare, entitled to coverage under ~~part Part~~ Part B of medicare Medicare, meets the eligibility criteria under sub. (1), and meets the limitation on income under subd. 6., ~~medical assistance~~ Medical Assistance shall include payment of the deductible and coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395zz ~~which~~ that are not paid under 42 USC 1395 to 1395zz, including those ~~medicare~~ Medicare services that are not included in the approved state plan for services under 42 USC 1396; the monthly premiums payable under 42 USC 1395v; the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and the late enrollment penalty, if applicable, for premiums under ~~part Part~~ Part A of medicare Medicare. Payment of coinsurance for a service under ~~part Part~~ Part B of medicare Medicare under 42 USC 1395j to 1395w, ~~other than payment of coinsurance for outpatient hospital services, and payment of deductibles and coinsurance for inpatient hospital services~~ under Part A of Medicare may not

exceed the allowable charge for the service under ~~medical assistance~~ Medical Assistance minus the ~~medicare~~ Medicare payment.

SECTION 1453n. 49.46 (2) (c) 3. of the statutes is amended to read:

49.46 (2) (c) 3. For an individual who is only entitled to coverage under ~~part Part~~ Part A of ~~medicare~~ Medicare, meets the eligibility criteria under sub. (1), and meets the limitation on income under subd. 6., ~~medical assistance~~ Medical Assistance shall include payment of the deductible and coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395i ~~which that~~ are not paid under 42 USC 1395 to 1395i, including those ~~medicare~~ Medicare services that are not included in the approved state plan for services under 42 USC 1396; the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and the late enrollment penalty, if applicable, for premiums under ~~part Part~~ Part A of ~~medicare~~ Medicare. Payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare may not exceed the allowable charge for the service under Medical Assistance minus the Medicare payment.

SECTION 1453o. 49.46 (2) (c) 4. of the statutes is amended to read:

49.46 (2) (c) 4. For an individual who is entitled to coverage under ~~part Part~~ Part A of ~~medicare~~ Medicare, entitled to coverage under ~~part Part~~ Part B of ~~medicare~~ Medicare, and meets the eligibility criteria for ~~medical assistance~~ Medical Assistance under sub. (1), but does not meet the limitation on income under subd. 6., ~~medical assistance~~ Medical Assistance shall include payment of the deductible and coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395zz ~~which that~~ are not paid under 42 USC 1395 to 1395zz, including those ~~medicare~~ Medicare services that are not included in the approved state plan for services under 42 USC 1396. Payment of coinsurance for a service under ~~part Part~~ Part B of ~~medicare~~ Medicare under 42 USC 1395j to 1395w, ~~other than payment of coinsurance for outpatient hospital services, and payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare~~ may not exceed the allowable charge for the service under ~~medical assistance~~ Medical Assistance minus the ~~medicare~~ Medicare payment.

SECTION 1453p. 49.46 (2) (c) 5. of the statutes is amended to read:

49.46 (2) (c) 5. For an individual who is only entitled to coverage under ~~part Part~~ Part A of ~~medicare~~ Medicare and meets the eligibility criteria for ~~medical assistance~~ Medical Assistance under sub. (1), but does not meet the limitation on income under subd. 6., ~~medical assistance~~ Medical Assistance shall include payment of the deductible and coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395i ~~which that~~ are not paid under 42 USC 1395 to 1395i, including those ~~medicare~~ Medicare services that are not included in the approved

state plan for services under 42 USC 1396. Payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare may not exceed the allowable charge for the service under Medical Assistance minus the Medicare payment.

SECTION 1453q. 49.46 (2) (c) 5m. of the statutes is amended to read:

49.46 (2) (c) 5m. For an individual who is only entitled to coverage under ~~part Part~~ Part B of ~~medicare~~ Medicare and meets the eligibility criteria under sub. (1), but does not meet the limitation on income under subd. 6., ~~medical assistance~~ Medical Assistance shall include payment of the deductible and coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395j to 1395w, including those ~~medicare~~ Medicare services that are not included in the approved state plan for services under 42 USC 1396. Payment of coinsurance for a service under ~~part Part~~ Part B of ~~medicare~~, ~~other than payment of coinsurance for outpatient hospital services,~~ Medicare may not exceed the allowable charge for the service under ~~medical assistance~~ Medical Assistance minus the ~~medicare~~ Medicare payment.

SECTION 1453r. 49.465 (2) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.465 (2) (intro.) Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), a pregnant woman is eligible for medical assistance benefits, as provided under sub. (3), during the period beginning on the day on which a qualified provider determines, on the basis of preliminary information, that the woman's family income does not exceed the highest level for eligibility for benefits under s. 49.46 (1) or 49.47 (4) (am) or (c) 1. and ending as follows:

SECTION 1453s. 49.465 (2) (intro.) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.465 (2) (intro.) Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), ~~a~~ A pregnant woman is eligible for medical assistance benefits, as provided under sub. (3), during the period beginning on the day on which a qualified provider determines, on the basis of preliminary information, that the woman's family income does not exceed the highest level for eligibility for benefits under s. 49.46 (1) or 49.47 (4) (am) or (c) 1. and ending as follows:

SECTION 1455. 49.468 (1) (b) of the statutes is amended to read:

49.468 (1) (b) For an elderly or disabled individual who is entitled to coverage under ~~part Part~~ Part A of ~~medicare~~ Medicare, entitled to coverage under ~~part Part~~ Part B of ~~medicare~~ Medicare, and who does not meet the eligibility criteria for ~~medical assistance~~ Medical Assistance under s. 49.46 (1), 49.465, 49.47 (4), or 49.471 but meets the limitations on income and resources under par. (d), ~~medical assistance~~ Medical Assistance shall pay the deductible

and coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395zz ~~which that~~ are not paid under 42 USC 1395 to 1395zz, including those ~~medicare~~ Medicare services that are not included in the approved state plan for services under 42 USC 1396; the monthly premiums payable under 42 USC 1395v; the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and the late enrollment penalty, if applicable, for premiums under ~~part Part~~ Part A of ~~medicare~~ Medicare. Payment of coinsurance for a service under ~~part Part~~ Part B of ~~medicare~~ Medicare under 42 USC 1395j to 1395w, ~~other than payment of coinsurance for outpatient hospital services, and payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare~~ may not exceed the allowable charge for the service under ~~medical assistance~~ Medical Assistance minus the ~~medicare~~ Medicare payment.

SECTION 1456. 49.468 (1) (c) of the statutes is amended to read:

49.468 (1) (c) For an elderly or disabled individual who is only entitled to coverage under ~~part Part~~ Part A of ~~medicare~~ Medicare and who does not meet the eligibility criteria for ~~medical assistance~~ Medical Assistance under s. 49.46 (1), 49.465, 49.47 (4), or 49.471 but meets the limitations on income and resources under par. (d), ~~medical assistance~~ Medical Assistance shall pay the deductible and coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395i ~~which that~~ are not paid under 42 USC 1395 to 1395i, including those ~~medicare~~ Medicare services that are not included in the approved state plan for services under 42 USC 1396; the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and the late enrollment penalty for premiums under ~~part Part~~ Part A of ~~medicare~~ Medicare, if applicable. Payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare may not exceed the allowable charge for the service under Medical Assistance minus the Medicare payment.

SECTION 1457p. 49.47 (4) (a) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.47 (4) (a) (intro.) Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), any individual who meets the limitations on income and resources under pars. (b) to (c) and who complies with pars. (cm) and (cr) shall be eligible for medical assistance under this section if such individual is:

SECTION 1457q. 49.47 (4) (a) (intro.) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.47 (4) (a) (intro.) ~~Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), any~~ Any individual who meets the limitations on income and resources under pars. (b) to (c) and who complies with pars. (cm) and (cr) shall be eligible for medical assistance under this section if such individual is:

SECTION 1459. 49.47 (4) (i) 1. of the statutes is amended to read:

49.47 (4) (i) 1. The department shall request a waiver from the secretary of the federal department of health and human services to permit the application of subd. 2. The waiver shall request approval to implement the waiver on a statewide basis, unless the department of health services determines that statewide implementation of the waiver would present an obstacle to the approval of the waiver by the secretary of the federal department of health and human services, in which case the waiver shall request approval to implement the waiver in 48 pilot counties to be selected by the department of health services. Within 30 days after August 12, 1993, the department of ~~regulation and licensing~~ safety and professional services shall notify funeral directors licensed under ch. 445, cemetery associations, as defined in s. 157.061 (1r), and cemetery authorities, as defined in s. 157.061 (2), of the terms of the waiver required to be requested under this subdivision. If the waiver is approved by the secretary of the federal department of health and human services and if the waiver remains in effect, subd. 2. shall apply.

SECTION 1459bn. 49.47 (4) (k) of the statutes is created to read:

49.47 (4) (k) Notwithstanding par. (b) 3. and s. 445.125 (1) (a), no later than 60 days after the effective date of this paragraph ... [LRB inserts date], the department shall seek approval from the federal Centers for Medicare and Medicaid Services to permit friends and family members of any individual receiving medical assistance under this section to contribute funds to an irrevocable burial trust for the individual, up to a total irrevocable trust amount of \$4,500, without the individual losing eligibility for medical assistance under this section. If the federal Centers for Medicare and Medicaid Services approves the request, the department shall implement the change under this section within 60 days after receiving approval.

SECTION 1459e. 49.47 (5) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.47 (5) INVESTIGATION BY DEPARTMENT. (intro.) The department may make additional investigation of eligibility at any of the following times:

SECTION 1459g. 49.47 (5) (a) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.47 (5) (a) When there is reasonable ground for belief that an applicant may not be eligible or that the beneficiary may have received benefits to which the beneficiary is not entitled.

SECTION 1459i. 49.47 (5) (c) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.47 (5) (c) Any time determined by the department by a policy created under s. 49.45 (2m) (c) to determine

eligibility or to reevaluate continuing eligibility, except that if federal law allows a reevaluation of eligibility more frequently than every 12 months and if there is no conflicting provision of state law, the department is not required to create a policy to reevaluate eligibility under this section.

SECTION 1459j. 49.47 (5) (c) of the statutes, as created by 2011 Wisconsin Act ... (this act), is repealed.

SECTION 1459n. 49.47 (6) (a) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.47 (6) (a) (intro.) Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the department shall audit and pay charges to certified providers for medical assistance on behalf of the following:

SECTION 1459o. 49.47 (6) (a) (intro.) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.47 (6) (a) (intro.) ~~Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the~~ The department shall audit and pay charges to certified providers for medical assistance on behalf of the following:

SECTION 1459p. 49.47 (6) (a) 6. b. of the statutes is amended to read:

49.47 (6) (a) 6. b. An individual who is entitled to coverage under ~~part Part~~ Part A of ~~medicare Medicare~~, entitled to coverage under ~~part Part~~ Part B of ~~medicare Medi-~~ care, meets the eligibility criteria under sub. (4) (a), and meets the income limitation, the deductible and coinsurance portions of ~~medicare Medicare~~ services under 42 USC 1395 to 1395zz ~~which that~~ are not paid under 42 USC 1395 to 1395zz, including those ~~medicare Medicare~~ services that are not included in the approved state plan for services under 42 USC 1396; the monthly premiums payable under 42 USC 1395v; the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and the late enrollment penalty, if applicable, for premiums under ~~part Part~~ Part A of ~~medicare Medicare~~. ~~Payment of coinsurance for a service under part Part B of medicare Medicare under 42 USC 1395j to 1395w, other than payment of coinsurance for outpatient hospital services, and payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare may not exceed the allowable charge for the service under medical assistance~~ Medical Assistance minus the ~~medicare Medicare~~ payment.

SECTION 1459q. 49.47 (6) (a) 6. c. of the statutes is amended to read:

49.47 (6) (a) 6. c. An individual who is only entitled to coverage under ~~part Part~~ Part A of ~~medicare Medicare~~, meets the eligibility criteria under sub. (4) (a), and meets the income limitation, the deductible and coinsurance portions of ~~medicare Medicare~~ services under 42 USC 1395 to 1395i ~~which that~~ are not paid under 42 USC 1395

to 1395i, including those ~~medicare Medicare~~ services that are not included in the approved state plan for services under 42 USC 1396; the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and the late enrollment penalty, if applicable, for premiums under ~~part Part~~ Part A of ~~medicare Medicare~~. ~~Payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare may not exceed the allowable charge for the service under Medical Assistance minus the Medicare payment.~~

SECTION 1459r. 49.47 (6) (a) 6. d. of the statutes is amended to read:

49.47 (6) (a) 6. d. An individual who is entitled to coverage under ~~part Part~~ Part A of ~~medicare Medicare~~, entitled to coverage under ~~part Part~~ Part B of ~~medicare Medi-~~ care, and meets the eligibility criteria for ~~medical assistance~~ Medical Assistance under sub. (4) (a), but does not meet the income limitation, the deductible and coinsurance portions of ~~medicare Medicare~~ services under 42 USC 1395 to 1395zz ~~which that~~ are not paid under 42 USC 1395 to 1395zz, including those ~~medicare Medicare~~ services that are not included in the approved state plan for services under 42 USC 1396. ~~Payment of coinsurance for a service under part Part B of medicare Medicare under 42 USC 1395j to 1395w, other than payment of coinsurance for outpatient hospital services, and payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare may not exceed the allowable charge for the service under medical assistance~~ Medical Assistance minus the ~~medicare Medicare~~ payment.

SECTION 1459s. 49.47 (6) (a) 6. e. of the statutes is amended to read:

49.47 (6) (a) 6. e. An individual who is only entitled to coverage under ~~part Part~~ Part A of ~~medicare Medicare~~ and meets the eligibility criteria for ~~medical assistance~~ Medical Assistance under sub. (4) (a), but does not meet the income limitation, the deductible and coinsurance portions of ~~medicare Medicare~~ services under 42 USC 1395 to 1395i, including those services that are not included in the approved state plan for services under 42 USC 1396. ~~Payment of deductibles and coinsurance for inpatient hospital services under Part A of Medicare may not exceed the allowable charge for the service under Medi-~~ cal Assistance minus the Medicare payment.

SECTION 1459t. 49.47 (6) (a) 6. f. of the statutes is amended to read:

49.47 (6) (a) 6. f. For an individual who is only entitled to coverage under ~~part Part~~ Part B of ~~medicare Medi-~~ care and meets the eligibility criteria under sub. (4), but does not meet the income limitation, ~~medical assistance~~ Medical Assistance shall include payment of the deductible and coinsurance portions of ~~medicare Medicare~~ services under 42 USC 1395j to 1395w, including those ~~medicare Medicare~~ services that are not included in the approved state plan for services under 42 USC 1396.

Payment of coinsurance for a service under ~~part Part B of medicare, other than payment of coinsurance for outpatient hospital services,~~ Medicare may not exceed the allowable charge for the service under ~~medical assistance~~ Medical Assistance minus the ~~medicare~~ Medicare payment.

SECTION 1461g. 49.471 (13) of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.471 (13) **APPLICABILITY.** If the department creates a policy under s. 49.45 (2m) (c), subs. (4), (5), (6), (7), (8), (10), and (11) do not apply to the extent that those subsections conflict with the policy.

SECTION 1461h. 49.471 (13) of the statutes, as created by 2011 Wisconsin Act ... (this act), is repealed.

SECTION 1461p. 49.472 (3) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.472 (3) **ELIGIBILITY.** (intro.) Except as provided in sub. (6) (a) and unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), an individual is eligible for and shall receive medical assistance under this section if all of the following conditions are met:

SECTION 1461q. 49.472 (3) (intro.) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.472 (3) **ELIGIBILITY.** (intro.) Except as provided in sub. (6) (a) ~~and unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c),~~ an individual is eligible for and shall receive medical assistance under this section if all of the following conditions are met:

SECTION 1462g. 49.472 (4) (b) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.472 (4) (b) (intro.) The department may waive monthly premiums that are calculated to be below \$10 per month. Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the department may not assess a monthly premium for any individual whose income level, after adding the individual's earned income and unearned income, is below 150% of the poverty line.

SECTION 1462h. 49.472 (4) (b) (intro.) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.472 (4) (b) (intro.) The department may waive monthly premiums that are calculated to be below \$10 per month. ~~Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the~~ The department may not assess a monthly premium for any individual whose income level, after adding the individual's earned income and unearned income, is below 150% of the poverty line.

SECTION 1463. 49.472 (6) (a) of the statutes is amended to read:

49.472 (6) (a) Notwithstanding sub. (4) (a) 3., from the appropriation ~~account~~ accounts under s. 20.435 (4) (b), (gm), or (w), the department shall, on the part of an individual who is eligible for medical assistance under sub. (3), pay premiums for or purchase individual coverage offered by the individual's employer if the department determines that paying the premiums for or purchasing the coverage will not be more costly than providing medical assistance.

SECTION 1464. 49.472 (6) (b) of the statutes is amended to read:

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

SECTION 1465n. 49.473 (2) (intro.) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.473 (2) (intro.) Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c), a woman is eligible for medical assistance as provided under sub. (5) if, after applying to the department or a county department, the department or a county department determines that she meets all of the following requirements:

SECTION 1465p. 49.473 (2) (intro.) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.473 (2) (intro.) ~~Unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c),~~ ~~a~~ A woman is eligible for medical assistance as provided under sub. (5) if, after applying to the department or a county department, the department or a county department determines that she meets all of the following requirements:

SECTION 1469y. 49.473 (5) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

49.473 (5) The department shall audit and pay, from the appropriation accounts under s. 20.435 (4) (b), (gm), and (o), allowable charges to a provider who is certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who meets the requirements under sub. (2) for all benefits and services specified under s. 49.46 (2), unless otherwise provided by the department by a policy created under s. 49.45 (2m) (c).

SECTION 1470b. 49.473 (5) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.473 (5) The department shall audit and pay, from the appropriation accounts under s. 20.435 (4) (b), (gm),

and (o), allowable charges to a provider who is certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who meets the requirements under sub. (2) for all benefits and services specified under s. 49.46 (2); ~~unless otherwise provided by the department by a policy created under s. 49.45 (2m) (e).~~

SECTION 1477r. 49.67 (3) (am) 2. b. of the statutes is amended to read:

49.67 (3) (am) 2. b. If the applicant is under ~~27~~ 26 years of age, notice that he or she may be eligible for coverage as a dependent under his or her parent's health care plan in accordance with s. 632.885, and that his or her parent's plan must include coverage for services that are not covered under the plan under this section.

SECTION 1478. 49.68 (3) (b) of the statutes is amended to read:

49.68 (3) (b) From the appropriation accounts under ss. 20.435 (4) (e) and (je), the state shall pay ~~the cost of, at a rate determined by the department under par. (e), for medical treatment that is~~ required as a direct result of chronic renal disease of certified patients from the date of certification, including ~~the cost of~~ administering recombinant human erythropoietin to appropriate patients, whether the treatment is rendered in an approved facility in the state or in a dialysis or transplantation center ~~which that~~ is approved as such by a contiguous state, subject to the conditions specified under par. (d). Approved facilities may include a hospital in-center dialysis unit or a nonhospital dialysis center ~~which that~~ is closely affiliated with a home dialysis program supervised by an approved facility. Aid shall also be provided for all reasonable expenses incurred by a potential living-related donor, including evaluation, hospitalization, surgical costs, and postoperative follow-up to the extent that these costs are not reimbursable under the federal medicare program or other insurance. In addition, all expenses incurred in the procurement, transportation, and preservation of cadaveric donor kidneys shall be covered to the extent that these costs are not otherwise reimbursable. All donor-related costs are chargeable to the recipient and reimbursable under this subsection.

SECTION 1479. 49.68 (3) (e) of the statutes is amended to read:

49.68 (3) (e) ~~State aids Payment~~ for services provided under this section shall be ~~equal to~~ at a rate determined by the department that does not exceed the allowable charges under the federal Medicare program. In no case shall state rates for individual service elements exceed the federally defined allowable costs. The rate of charges for services not covered by public and private insurance shall not exceed the reasonable charges as established by ~~medicare~~ Medicare fee determination procedures. A person that provides to a patient a service for which aid is provided under this section shall accept the amount paid under this section for the service as payment in full and may not bill the patient for any amount by

which the charge for the service exceeds the amount paid for the service under this section. The state may not pay for the cost of travel, lodging, or meals for persons who must travel to receive inpatient and outpatient dialysis treatment for kidney disease. This paragraph shall not apply to donor related costs as defined in par. (b).

SECTION 1486m. 49.78 (1) (br) of the statutes is created to read:

49.78 (1) (br) "Multicounty consortium" means a group of counties that is approved by the department under sub. (1m) to administer income maintenance programs.

SECTION 1487m. 49.78 (1m) of the statutes is created to read:

49.78 (1m) MULTICOUNTY CONSORTIA. (a) Except as provided in par. (c), each county with a population of less than 750,000 shall participate in a multicounty consortium that is approved by the department under par. (b).

(b) By October 31, 2011, the department shall approve multicounty consortia. The department may not approve more than 10 multicounty consortia.

(c) If a county with a population of less than 750,000 does not participate in a multicounty consortium or the department determines that a multicounty consortium does not satisfy the department's performance requirements, the department shall assume responsibility for administering income maintenance programs in that county or in the geographical area of the multicounty consortium. The department may provide income maintenance program administration under this paragraph by contracting with another multicounty consortium or by providing the administrative services with state resources and employees.

(d) If the department assumes responsibility for administering income maintenance programs in a county or in the geographical area of the multicounty consortium under par. (c), any county for which the department administers income maintenance programs shall pay to the department the amount that the county expended for the administration of income maintenance programs in calendar year 2009. For the purposes of this paragraph, Kenosha County expended \$673,000 for the administration of income maintenance programs in calendar year 2009.

SECTION 1488m. 49.78 (1r) of the statutes is created to read:

49.78 (1r) SINGLE COUNTY CONSORTIA. The department shall administer income maintenance programs in a county with a population of 750,000 or more as a single-county consortium, including the administrative functions specified in sub. (2) (b) 1.

SECTION 1489m. 49.78 (2) (title) of the statutes is amended to read:

49.78 (2) (title) CONTRACTS WITH MULTICOUNTY CONSORTIA.

SECTION 1490m. 49.78 (2) of the statutes is renumbered 49.78 (2) (a) and amended to read:

49.78 (2) (a) ~~Annually, for the income maintenance program functions, if any, that the department delegates to a county or tribal governing body beginning with contracts for 2012, the department and county department under s. 46.215, 46.22, or 46.23 shall enter into a contract, and the department and tribal governing body may enter into a contract, for reimbursement of the county department or tribal governing body for the reasonable cost of administering with each multicounty consortium to administer income maintenance programs in the multicounty consortium's geographical area.~~

SECTION 1491m. 49.78 (2) (b) of the statutes is created to read:

49.78 (2) (b) A contract under par. (a) shall provide all of the following:

1. That the multicounty consortia shall be responsible for all of the following administrative functions related to income maintenance programs:

- a. Operating and maintaining a call center.
- b. Conducting application processing and eligibility determinations.
- c. Conducting ongoing case management.
- d. Providing lobby services.

2. That the department and multicounty consortia shall cooperate to provide the following administrative functions related to the income maintenance programs:

- a. Conducting subrogation and benefit recovery efforts.
- b. Participating in fair hearings.
- c. Conducting fraud prevention and identification activities.

3. That the department will reimburse a multicounty consortium for services provided under the contract on a risk-adjusted case load basis.

SECTION 1492m. 49.78 (2m) of the statutes is created to read:

49.78 (2m) ADMINISTRATION BY A TRIBAL GOVERNING BODY. (a) A tribal governing body may administer income maintenance programs by electing to have the department administer the tribe's income maintenance programs or by providing the required administrative services and entering into a contract with the department for reimbursement under par. (b).

(b) Annually, for the income maintenance administrative program functions, if any, that the department delegates to a tribal governing body, the department and tribal governing body may enter into a contract, for reimbursement of the tribal governing body for the reasonable cost of administering income maintenance programs.

(c) The amount of each reimbursement paid under a contract entered into par. (b) shall be calculated using a formula based on workload within the limits of state and federal funds. The department may adjust reimbursement amounts determined under the contract for work-

load changes and computer network activities performed by a tribal governing body.

SECTION 1493m. 49.78 (2r) of the statutes is created to read:

49.78 (2r) DEPARTMENTAL ADMINISTRATIVE FUNCTIONS. The department shall perform all of the following administrative functions related to income maintenance programs:

- (a) Providing income maintenance worker training.
- (b) Performing 2nd-party reviews.
- (c) Administering the funeral expenses program under s. 49.785.
- (d) Providing information technology and licenses for call centers that are operated by multicounty consortia.

(e) Maintaining the client assistance reemployment and economic support system.

(f) Contracting with multicounty consortia under sub. (2), including establishing performance requirements.

(g) Contracting with tribal governing bodies under sub. (2m), including establishing performance requirements.

(h) Monitoring contracts with multicounty consortia and tribal governing bodies, including compliance with performance standards and federal and other reporting requirements.

(i) Operating a centralized document processing unit.

SECTION 1494m. 49.78 (8) (a) of the statutes is amended to read:

49.78 (8) (a) From the ~~appropriation accounts~~ appropriations under s. 20.435 (4) (bn) and (nn) and subject to par. (b), the department shall provide funding to reimburse each county multicounty consortium that contracts with the department under sub. (2) and each tribal governing body that contracts with the department under sub. (2) (2m) for reasonable the costs of administering the income maintenance programs, including conducting fraud prevention activities. ~~The amount of each reimbursement paid under this paragraph shall be calculated using a formula based on workload within the limits of available state and federal funds under s. 20.435 (4) (bn) and (nn) by contract under sub. (2), in accordance with the terms of the applicable contract.~~ The amount of reimbursement calculated under this paragraph and par. (b) is in addition to any reimbursement provided to a county, multicounty consortium, or tribal governing body for fraud and error reduction under s. 49.197 or 49.845.

SECTION 1495m. 49.78 (8) (b) of the statutes is amended to read:

49.78 (8) (b) The department ~~may adjust the amounts determined under par. (a) for workload changes and computer network activities performed by a county or tribal governing body and~~ may reduce the amount of any reimbursement if federal reimbursement is withheld due to audits, quality control samples, or program reviews.

SECTION 1496m. 49.78 (10) (title) of the statutes is amended to read:

49.78 (10) (title) ~~COUNTY~~ REIMBURSEMENT CERTIFICATION.

SECTION 1497m. 49.78 (10) (a) of the statutes is amended to read:

49.78 (10) (a) ~~Each county treasurer and director of a county department under s. 46.215, 46.22, or 46.23. An authorized representative from each multicounty consortium~~ that contracts with the department under sub. (2) and each tribal governing body that contracts with the department under sub. (2) ~~(2m)~~ shall certify monthly under oath to the department in such manner as the department prescribes the claim of the ~~county~~ multicounty consortium or tribal governing body for state reimbursement under sub. (8) (a). The department shall review each claim of reimbursement and, if the department approves the claim, the department shall certify to the department of administration for reimbursement to the ~~county~~ multicounty consortium or tribal governing body for amounts due under sub. (8) (a) and payment claimed to be made to the ~~counties~~ multicounty consortia or tribal governing bodies monthly. The department may make advance payments prior to the beginning of each month equal to one-twelfth of the contracted amount.

SECTION 1498m. 49.78 (10) (b) of the statutes is amended to read:

49.78 (10) (b) To facilitate prompt reimbursement the certificate of the department may be based on the certified statements of the ~~county officers~~ authorized representatives of multicounty consortia or tribal governing body executives filed under par. (a). Funds recovered from audit adjustments from a prior-fiscal year may be included in subsequent certifications only to pay counties or multicounty consortia owed funds as a result of any audit adjustment. By September 30 annually, the department shall submit a report to the appropriate standing committees under s. 13.172 (3) on funds recovered and paid out during the previous calendar year as a result of audit adjustments.

SECTION 1499m. 49.78 (11) (a) of the statutes is amended to read:

49.78 (11) (a) 1. The department, a county department under s. 46.215, 46.22, or 46.23, a multicounty consortium, or a tribal governing body may request from any person in this state information it determines appropriate and necessary for determining or verifying eligibility or benefits for a recipient under any income maintenance program. Unless access to the information is prohibited or restricted by law, or unless the person has good cause, as determined by the department in accordance with federal law and regulations, for refusing to cooperate, the person shall make a good faith effort to provide the information within 7 days after receiving a request under this paragraph. The department, county department, multicounty consortium, or tribal governing body, or

employees of any of them, may not disclose information obtained under this subdivision for any purpose not connected with the administration of the income maintenance program for which the information was requested.

2. In conjunction with any request for information under subd. 1., including a request made by subpoena under par. (b), the department, county department, multicounty consortium, or tribal governing body shall advise the person of the time by which the information must be provided.

SECTION 1500m. 49.78 (11) (b) of the statutes is amended to read:

49.78 (11) (b) The department, a county department, a multicounty consortium, or a tribal governing body may issue a subpoena, in substantially the form authorized under s. 885.02, to compel the production of financial information or other documentary evidence for determining or verifying eligibility or benefits for a recipient under any income maintenance program.

SECTION 1501m. 49.78 (11) (c) 1. of the statutes is amended to read:

49.78 (11) (c) 1. Allowing access to financial or other records by the department, a county department, a multicounty consortium, or a tribal governing body in response to a request under par. (a) or a subpoena described in par. (b).

SECTION 1502m. 49.78 (11) (c) 2. of the statutes is amended to read:

49.78 (11) (c) 2. Disclosing information from financial or other records to the department, a county department, a multicounty consortium, or a tribal governing body in response to a request under par. (a) or a subpoena described in par. (b).

SECTION 1503m. 49.78 (11) (c) 3. of the statutes is amended to read:

49.78 (11) (c) 3. Any other action taken in good faith to comply with this subsection or a subpoena described in par. (b) or to comply with a request for information or access to records from the department, a county department, a multicounty consortium, or a tribal governing body for determining or verifying eligibility or benefits for a recipient under any income maintenance program.

SECTION 1504m. 49.785 (2) of the statutes is amended to read:

49.785 (2) From the appropriation under s. 20.435 (4) ~~(br)~~ (br), the department shall reimburse a county or applicable tribal governing body or organization for any amount that the county or applicable tribal governing body or organization is required to pay under sub. (1) if the county or applicable tribal governing body or organization complies with sub. (3). From the appropriation under s. 20.435 (4) ~~(br)~~ (br), the department shall reimburse a county or applicable tribal governing body or organization for cemetery expenses or for funeral and burial expenses for a person described under sub. (1) that the county or applicable tribal governing body or orga-

nization is not required to pay under subs. (1) and (1m) only if the department approves the reimbursement due to unusual circumstances and if the county or applicable tribal governing body or organization complies with sub. (3).

SECTION 1505m. 49.79 (1) (e) of the statutes is created to read:

49.79 (1) (e) "Multicounty consortium" has the meaning given in s. 49.78 (1) (br).

SECTION 1506m. 49.79 (3) of the statutes is amended to read:

49.79 (3) LIABILITY FOR LOST FOOD COUPONS. (a) A county, multicounty consortium, or federally recognized American Indian tribe is liable for all food stamp coupons lost, misappropriated, or destroyed while under the county's, consortium's, or tribe's direct control, except as provided in par. (b).

(b) A county, multicounty consortium, or federally recognized American Indian tribe is not liable for food stamp coupons lost in natural disasters if it provides evidence acceptable to the department that the coupons were destroyed and not redeemed.

(c) A county, multicounty consortium, or federally recognized American Indian tribe is liable for food stamp coupons mailed to residents of the county or counties that are in the multicounty consortium or members of the tribe and lost in the mail due to incorrect information submitted to the department by the county or tribe.

SECTION 1507m. 49.79 (4) of the statutes is amended to read:

49.79 (4) DEDUCTIONS FROM COUNTY INCOME MAINTENANCE PAYMENTS. The department shall withhold the value of food stamp losses for which a county, multicounty consortium, or federally recognized American Indian tribe is liable under sub. (3) from the payment to the county, multicounty consortium, or tribe under income maintenance contracts under s. 49.78 and reimburse the federal government from the funds withheld.

SECTION 1534. 49.79 (8) of the statutes is amended to read:

49.79 (8) BENEFITS FOR QUALIFIED ALIENS. The department shall not provide benefits under this section to a qualified alien ~~who is ineligible for benefits under this section solely because of the application of 9 USC 1612 or 1613 according to a plan approved by the federal department of agriculture. This subsection does not apply, except~~ to the extent that federal food stamp benefits for qualified aliens are ~~restored~~ required by the federal government.

SECTION 1535m. 49.79 (9) (a) 1. of the statutes is amended to read:

49.79 (9) (a) 1. The department shall administer an employment and training program for recipients under the food stamp program and may contract ~~under s. 49.78~~ with county departments under ss. 46.215, 46.22, and 46.23, multicounty consortia, and with tribal governing

bodies to carry out the administrative functions. The department may contract, or a county department, multicounty consortium, or tribal governing body may subcontract, with a Wisconsin Works agency or another provider to administer the employment and training program under this subsection. Except as provided in subs. 2. and 3., the department may require able individuals who are 18 to 60 years of age who are not participants in a Wisconsin Works employment position to participate in the employment and training program under this subsection.

SECTION 1536g. 49.793 (1) of the statutes is amended to read:

49.793 (1) The department or a county ~~or, a multicounty consortium, as defined in s. 49.78 (1) (br),~~ or an elected governing body of a federally recognized American Indian tribe or band acting on behalf of the department, may recover overpayments that arise from an overissuance of food coupons under the food stamp program administered under s. 46.215 (1) (k) or 46.22 (1) (b) 2. d. Recovery shall be made in accordance with 7 USC 2022.

SECTION 1536m. 49.793 (2) (a) of the statutes is amended to read:

49.793 (2) (a) Except as provided in par. (b), a county, multicounty consortium, as defined in s. 49.78 (1) (br), or governing body of a federally recognized American Indian tribe may retain a portion of the amount of an overpayment the state is authorized to retain under 7 USC 2025 that is recovered under sub. (1) due to the efforts of an employee or officer of the county, multicounty consortium, or tribe. The department shall promulgate a rule establishing the portion of the amount of the overpayment that the county, multicounty consortium, or governing body may retain. This paragraph does not apply to recovery of an overpayment that was made as a result of state, county, multicounty consortium, or tribal governing body error.

SECTION 1537m. 49.795 (1) (cm) of the statutes is created to read:

49.795 (1) (cm) "Multicounty consortium" has the meaning given in s. 49.78 (1) (br).

SECTION 1538m. 49.795 (1) (e) 1. of the statutes is amended to read:

49.795 (1) (e) 1. An employee or officer of the federal government, the state, a county, a multicounty consortium, or a federally recognized American Indian tribe acting in the course of official duties in connection with the food stamp program.

SECTION 1539m. 49.795 (1) (e) 2. of the statutes is amended to read:

49.795 (1) (e) 2. A person acting in the course of duties under a contract with the federal government, the state, a county, a multicounty consortium, or a federally recognized American Indian tribe in connection with the food stamp program.

SECTION 1540m. 49.795 (8) (d) 2. of the statutes is amended to read:

49.795 (8) (d) 2. The person may apply to the ~~county department under s. 46.215, 46.22 or 46.23~~ multicounty consortium or the federally recognized American Indian tribal governing body or, if the person is a supplier, to the federal department of agriculture for reinstatement following the period of suspension, if the suspension is not permanent.

SECTION 1541m. 49.797 (8) of the statutes is amended to read:

49.797 (8) COUNTY PARTICIPATION; EXCEPTION. The department may not require a ~~county~~ multicounty consortium, as defined in s. 49.78 (1) (br), or tribal governing body to participate in an electronic benefit transfer system under this section if the costs to the ~~county multicounty consortium~~ or tribal governing body would be greater than the costs that the ~~county multicounty consortium~~ or tribal governing body would incur in delivering the benefits through a system that is not an electronic benefit transfer system.

SECTION 1544m. 49.825 (2) (d) 1. of the statutes is renumbered 49.825 (2) (d) and amended to read:

49.825 (2) (d) The department shall reimburse the county for all approved, allowable costs ~~that exceed the amounts specified in subd. 2. and~~ that are incurred by the county under a contract with the department for the operation of the public assistance programs under par. (a) in the county.

SECTION 1545m. 49.825 (2) (d) 2. of the statutes is repealed.

SECTION 1545n. 49.825 (3) (a) of the statutes is amended to read:

49.825 (3) (a) Supervisory personnel in the unit shall be state employees. Nonsupervisory staff performing services under this section for the unit may be a combination of state employees and employees of Milwaukee County. ~~For the performance of services under this section for the unit, the county shall maintain no fewer represented authorized full-time employee positions than the number of represented full-time employee positions that were authorized on February 1, 2009, for performance of the same types of services.~~

SECTION 1545p. 49.825 (4) (intro.) of the statutes is amended to read:

49.825 (4) TREATMENT OF FORMER COUNTY EMPLOYEES APPOINTED TO STATE EMPLOYEE POSITIONS IN THE UNIT ~~BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (TITLE) [LRB INSERTS DATE].~~ (intro.) All of the following shall apply to an employee who is appointed to a state employee position in the unit after May 29, 2009, ~~and before the effective date of this subsection [LRB inserts date],~~ and who, immediately prior to his or her appointment, was a county employee:

SECTION 1545r. 49.825 (4) (e) of the statutes is created to read:

49.825 (4) (e) Notwithstanding par. (c), beginning on the effective date of this paragraph [LRB inserts date],

an employee who has opted under par. (c) to remain a participating employee in the retirement system established under chapter 201, laws of 1937, shall remain a participating employee in the retirement system until the employee has vested in all retirement contributions paid by, or on behalf of, the employee. When the employee becomes vested in all of the contributions paid by, or on behalf of, the employee in the retirement system established under chapter 201, laws of 1937, the employee may no longer be a participating employee in that retirement system and shall immediately become a participating employee in the Wisconsin retirement system.

SECTION 1545t. 49.825 (5) of the statutes is created to read:

49.825 (5) TREATMENT OF FORMER COUNTY EMPLOYEES APPOINTED TO STATE EMPLOYEE POSITIONS IN THE UNIT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (TITLE) [LRB INSERTS DATE]. (intro.) All of the following shall apply to an employee who is appointed to a state employee position in the unit on or after the effective date of this subsection [LRB inserts date], and who, immediately prior to his or her appointment, was a county employee performing services for the unit:

(a) The employee shall serve any applicable probationary period under s. 230.28, but shall have his or her seniority with the state computed by treating the employee's total service with the county as state service.

(b) Annual leave for the employee shall accrue at the rate provided in s. 230.35 using the employee's state service computed under par. (a).

(c) 1. The employee shall remain a participating employee in the retirement system established under chapter 201, laws of 1937, until the employee becomes vested in all of the contributions paid by, or on behalf of, the employee in the retirement system. When the employee becomes vested in all of the contributions paid by, or on behalf of, the employee in the retirement system established under chapter 201, laws of 1937, the employee may no longer be a participating employee in that retirement system and shall immediately become a participating employee in the Wisconsin retirement system.

2. The secretary shall pay, on behalf of the employee, all required employer contributions under the retirement system established under chapter 201, laws of 1937.

(d) The employee shall have his or her sick leave accrued with the state computed by treating the employee's unused balance of sick leave accrued with the county as sick leave accrued in state service, but not to exceed the amount of sick leave the employee would have accrued in state service for the same period, if the employee is able to provide adequate documentation in accounting for sick leave used during the accrual period with the county. Sick leave that transfers under this paragraph is not subject to a right of conversion, under s. 40.05 (4) or otherwise, upon death or termination of cred-

itable service for payment of health insurance benefits on behalf of the employee or the employee's dependents.

(e) The employee shall not be subject to s. 40.23 (2m) (er) and (3) (b).

SECTION 1555m. 49.847 (1) of the statutes is amended to read:

49.847 (1) Subject to ss. 49.497 (1) and 49.793 (1), the department of health services, or a county, multi-county consortium, as defined in s. 49.78 (1) (br), or elected governing body of a federally recognized American Indian tribe or band acting on behalf of the department, may recover benefits incorrectly paid under any of the programs administered by the department under this chapter.

SECTION 1556m. 49.847 (2) of the statutes is amended to read:

49.847 (2) The department, county, multicounty consortium, as defined in s. 49.78 (1) (br), or elected governing body may recover an overpayment from a family or individual who continues to receive benefits under any program administered by the department under this chapter by reducing the family's or individual's benefit amount. Subject to s. 49.793 (1), the department may by rule specify other methods for recovering incorrectly paid benefits.

SECTION 1628. 49.857 (1) (c) of the statutes is amended to read:

49.857 (1) (c) "Credentialing board" means a board, examining board or affiliated credentialing board in the department of regulation and licensing safety and professional services that grants a credential.

SECTION 1629. 49.857 (2) (b) 1. of the statutes is amended to read:

49.857 (2) (b) 1. The circumstances under which the licensing authority or the licensing agency must restrict, limit, suspend, withhold, deny, refuse to grant or issue or refuse to renew or revalidate a license and guidelines for determining the appropriate action to take. The memorandum of understanding with the department of regulation and licensing safety and professional services shall include the circumstances under which the department of regulation and licensing safety and professional services shall direct a credentialing board to restrict, limit, suspend, withhold, deny or refuse to grant a credential and guidelines for determining the appropriate action to take. The guidelines under this subdivision for determining the appropriate action to take shall require the consideration of whether the action is likely to have an adverse effect on public health, safety or welfare or on the environment, and of whether the action is likely to adversely affect individuals other than the individual holding or applying for the license, such as employees of that individual.

SECTION 1630. 49.857 (2) (b) 2. a. of the statutes is amended to read:

49.857 (2) (b) 2. a. Certifying to the licensing authority or licensing agency a delinquency in support or a fail-

ure to comply with a subpoena or warrant. The memorandum of understanding with the department of regulation and licensing safety and professional services shall include procedures for the department of regulation and licensing safety and professional services to notify a credentialing board that a certification of delinquency in support or failure to comply with a subpoena or warrant has been made by the department of children and families with respect to an individual who holds or applied for a credential granted by the credentialing board.

SECTION 1631. 49.857 (2) (b) 2. c. of the statutes is amended to read:

49.857 (2) (b) 2. c. Notifying the licensing authority or licensing agency that an individual has paid delinquent support or made satisfactory alternative payment arrangements or satisfied the requirements under a subpoena or warrant. The memorandum of understanding with the department of regulation and licensing safety and professional services shall include procedures for the department of regulation and licensing safety and professional services to notify a credentialing board that an individual who holds or applied for a credential granted by the credentialing board has paid delinquent support or made satisfactory alternative payment arrangements or satisfied the requirements under a subpoena or warrant.

SECTION 1632. 49.857 (2) (b) 3. a. of the statutes is amended to read:

49.857 (2) (b) 3. a. Restricting, limiting, suspending, withholding, denying, refusing to grant or issue or refusing to renew or revalidate a license. The memorandum of understanding with the department of regulation and licensing safety and professional services shall include procedures for the department of regulation and licensing safety and professional services to direct a credentialing board to restrict, limit, suspend, withhold, deny or refuse to grant a credential.

SECTION 1633. 49.857 (2) (b) 3. c. of the statutes is amended to read:

49.857 (2) (b) 3. c. Issuing or reinstating a license if the department of children and families notifies the licensing authority or licensing agency that an individual who was delinquent in making court-ordered payments of support has paid the delinquent support or made satisfactory alternative payment arrangements or that an individual who failed to comply with a subpoena or warrant has satisfied the requirements under the subpoena or warrant. The memorandum of understanding with the department of regulation and licensing safety and professional services shall include procedures for the department of regulation and licensing safety and professional services to direct a credentialing board to grant or reinstate a credential if the department of children and families notifies the department of regulation and licensing safety and professional services that an individual who holds or applied for a credential granted by the credentialing board has paid the delinquent support or made sat-

isfactory alternative payment arrangements or that an individual who failed to comply with a subpoena or warrant has satisfied the requirements under the subpoena or warrant.

SECTION 1634. 49.857 (3) (a) 1. of the statutes is amended to read:

49.857 (3) (a) 1. That a certification of delinquency in paying support will be made to a licensing authority, a licensing agency or, with respect to a credential granted by a credentialing board, the department of ~~regulation and licensing~~ safety and professional services.

SECTION 1635. 49.857 (3) (am) 1. of the statutes is amended to read:

49.857 (3) (am) 1. That the individual's name has been placed on a certification list, which will be provided to a licensing authority, a licensing agency or, with respect to a credential granted by a credentialing board, the department of ~~regulation and licensing~~ safety and professional services.

SECTION 1636. 49.857 (3) (b) 1. of the statutes is amended to read:

49.857 (3) (b) 1. That a certification of the failure to comply with a subpoena or warrant will be made to a licensing authority, a licensing agency or, with respect to a credential granted by a credentialing board, the department of ~~regulation and licensing~~ safety and professional services.

SECTION 1637. 49.857 (3) (c) (intro.) of the statutes is amended to read:

49.857 (3) (c) (intro.) If the department of children and families provides a certification list to a licensing authority, a licensing agency or, with respect to a credential granted by a credentialing board, the department of ~~regulation and licensing~~ safety and professional services, upon receipt of the list the licensing authority if the licensing authority agrees, the licensing agency or, with respect to a credential granted by a credentialing board, the department of ~~regulation and licensing~~ safety and professional services shall do all of the following:

SECTION 1638. 49.857 (3) (d) 1. of the statutes is amended to read:

49.857 (3) (d) 1. Subject to sub. (2) (d), if an individual who, on the basis of delinquent support, is denied a license or whose license, on the basis of delinquent support, is restricted, limited, suspended, or refused renewal or revalidation under a memorandum of understanding entered into under sub. (2) (b) pays the delinquent amount of support in full or makes satisfactory alternative payment arrangements, the department of children and families shall immediately notify the licensing authority or licensing agency to issue or reinstate the individual's license as provided in the memorandum of understanding. If the individual held or applied for a credential granted by a credentialing board, the department of ~~regulation and licensing~~ safety and professional services shall, upon notice by the department of children and

families, notify the credentialing board to grant or reinstate the individual's credential.

SECTION 1639. 49.857 (3) (d) 2. of the statutes is amended to read:

49.857 (3) (d) 2. Subject to sub. (2) (d), if an individual who, on the basis of a failure to comply with a subpoena or warrant, is denied a license or whose license, on the basis of a failure to comply with a subpoena or warrant, is restricted, limited, suspended, or refused renewal or revalidation under a memorandum of understanding entered into under sub. (2) (b) satisfies the requirements under the subpoena or warrant, the department of children and families shall immediately notify the licensing authority or licensing agency to issue or reinstate the individual's license as provided in the memorandum of understanding. If the individual held or applied for a credential granted by a credentialing board, the department of ~~regulation and licensing~~ safety and professional services shall, upon notice by the department of children and families, notify the credentialing board to grant or reinstate the individual's credential.

SECTION 1640. 49.857 (4) of the statutes is amended to read:

49.857 (4) Each licensing agency shall enter into a memorandum of understanding with the department of children and families under sub. (2) (b) and shall cooperate with the department of children and families in its administration of s. 49.22. The department of ~~regulation and licensing~~ safety and professional services shall enter into a memorandum of understanding with the department of children and families on behalf of a credentialing board with respect to a credential granted by the credentialing board.

SECTION 1647. 50.01 (1) (c) of the statutes is repealed.

SECTION 1648. 50.01 (1g) (c) of the statutes is amended to read:

50.01 (1g) (c) A shelter facility as defined under s. ~~560.9808~~ 16.308 (1) (d).

SECTION 1649. 50.02 (1) of the statutes is amended to read:

50.02 (1) DEPARTMENTAL AUTHORITY. The department may provide uniform, statewide licensing, inspection, and regulation of community-based residential facilities and nursing homes as provided in this subchapter. The department shall certify, inspect, and otherwise regulate adult family homes, as specified under ~~ss. 50.031 and s.~~ s. 50.032 and shall license adult family homes, as specified under s. 50.033. Nothing in this subchapter may be construed to limit the authority of the department of ~~commerce~~ safety and professional services or of municipalities to set standards of building safety and hygiene, but any local orders of municipalities shall be consistent with uniform, statewide regulation of community-based residential facilities. The department may not prohibit any nursing home from distributing