

1 49.147 (5) (b) 2. An individual may participate in a transitional placement for
2 a maximum of 24 months. The months need not be consecutive. This period may be
3 extended on a case-by-case basis by the department or by the Wisconsin Works
4 agency with the approval of the department.

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

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

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

11 49.147 (5) (b) 1. d. Other activities that the Wisconsin ~~works~~ Works agency
12 determines are consistent with the capabilities of the individual.

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

14 49.147 (5) (bs) *Required hours.* Except as provided in par. (bt) and sub. (5m),
15 a Wisconsin Works agency may require a participant placed in a transitional
16 placement to participate in education or training activities for not more than 12
17 hours per week and to engage in activities under par. (b) 1m. to 4. ~~The Wisconsin~~
18 ~~Works agency, but~~ may not require a participant under this subsection to spend more
19 than 40 hours per week in combined activities under this subsection.

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

22 49.147 (5) (bs) *Required hours.* Except as provided in par. (bt) and sub. (5m),
23 a Wisconsin Works agency may require a participant placed in a transitional
24 placement to participate in education or training activities for not more than 12
25 hours per week and to engage in activities under par. (b) ~~1m. to 4. 1.~~, but may not

1 require a participant under this subsection to spend more than 40 hours per week
2 in combined activities under this subsection.

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

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

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

17 49.148 (1) (b) 1m. d. For a participant placed in a community service job for
18 more than 20 hours per week, ~~\$673~~ \$653.

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

20 49.148 (1) (b) 3. For a participant in a community service job who participates
21 in technical college education under s. 49.147 (5m), a monthly grant of ~~\$673~~ \$653,
22 paid by the Wisconsin ~~works~~ Works agency. For every hour that the participant
23 misses work or other required activities without good cause, the grant amount shall
24 be reduced by ~~\$5.15~~ \$5. Good cause shall be determined by the financial and

1 employment planner in accordance with rules promulgated by the department. Good
2 cause shall include required court appearances for a victim of domestic abuse.

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

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

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

15 49.148 (1) (c) *Transitional placements.* For a participant in a transitional
16 placement under s. 49.147 (5) or in a transitional placement and in technical college
17 education under s. 49.147 (5m), a grant of \$608, paid monthly by the Wisconsin
18 Works agency. For every hour that the participant fails to participate in any required
19 activity without good cause, including any activity under s. 49.147 (5) (b) ~~1m. to 4.~~
20 1. a. to d., the grant amount shall be reduced by \$5. Good cause shall be determined
21 by the financial and employment planner in accordance with rules promulgated by
22 the department. Good cause shall include required court appearances for a victim
23 of domestic abuse.

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

1 49.148 (1m) (a) 1. A custodial parent of a child ~~12~~ 8 weeks old or less who meets
2 the eligibility requirements under s. 49.145 (2) and (3), unless another adult member
3 of the custodial parent's Wisconsin Works group is participating in, or is eligible to
4 participate in, a Wisconsin Works employment position or is employed in
5 unsubsidized employment, as defined in s. 49.147 (1) (c).

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

7 49.148 (1m) (c) (intro.) For purposes of the time ~~limit~~ limits under ~~s. ss.~~ 49.145
8 (2) (n) and 49.147 (3) (c), (4) (b), and (5) (b) 2., all of the following apply:

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

10 49.148 (4) (b) The Wisconsin Works agency may require an individual who tests
11 positive for use of a controlled substance under par. (a) to participate in a drug abuse
12 evaluation, assessment, and treatment program as part of the participation
13 requirement under s. 49.147 (4) (a) ~~and (am)~~ (as) or (5) (b) ~~and (bm)~~ (bs).

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

15 49.151 (1) (b) The participant, or an individual who is in the participant's
16 Wisconsin Works group and who is subject to the work requirement under s. 49.15
17 (2), fails, without good cause, as determined by the Wisconsin Works agency, to
18 appear for an interview with a prospective employer or, if the participant is in a
19 Wisconsin Works transitional placement, the participant fails to appear for an
20 assigned activity, including an activity under s. 49.147 (5) (b) ~~1m. to 4. 1. a. to d.~~,
21 without good cause, as determined by the Wisconsin Works agency.

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

23 **49.1515 (title) Determining nonparticipation without good cause.**

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

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

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

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

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

14 49.152 (3) (a) If, following review under sub. (2), the Wisconsin ~~works~~ Works
15 agency or the department determines that an individual, whose application for a
16 Wisconsin ~~works~~ Works employment position was denied based on eligibility, was in
17 fact eligible, or that the individual was placed in an inappropriate Wisconsin ~~works~~
18 Works employment position or inappropriately provided case management services
19 under s. 49.147 (2) (am) in lieu of placement in a Wisconsin Works employment
20 position, the Wisconsin ~~works~~ Works agency shall place the individual in the first
21 available Wisconsin ~~works~~ Works employment position that is appropriate for that
22 individual, as determined by the Wisconsin ~~works~~ Works agency or the department.
23 An individual who is placed in a Wisconsin ~~works~~ Works employment position under
24 this paragraph is eligible for the benefit for that position under s. 49.148 beginning
25 on the date on which the individual begins participation under s. 49.147.

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

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

4 49.153 (1) (a) ~~After providing the explanation under par. (am), provide~~ Provide
5 to the participant written notice of the proposed action and of the reasons for the
6 proposed action.

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

8 49.153 (1) (c) ~~After providing the explanation or the attempts to provide an~~
9 ~~explanation under par. (am) and the notice under par. (bm), if the participant has not~~
10 ~~already been afforded a conciliation period under s. 49.1515 (3) (a),~~ allow the
11 participant a reasonable time to rectify the deficiency, failure, or other behavior to
12 avoid the proposed action.

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

14 49.153 (2) RULES. The department shall promulgate rules that establish
15 procedures for the notice ~~and explanation~~ under sub. (1) (a) and that define
16 “reasonable attempts” ~~for the purpose of sub. (1) (am)~~ and “reasonable time” for the
17 purpose of sub. (1) (c).

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

19 49.155 (1g) (ac) A child care scholarship and bonus program, in the amount of
20 at least \$3,475,000 \$3,975,000 per fiscal year.

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

22 49.155 (1g) (c) Child care licensing activities, in the amount of at least
23 \$5,763,900 \$8,767,000 per fiscal year.

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

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

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

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

5 49.155 **(1m)** (a) 1m. b. The individual has not yet attained the age of 18 years
6 and the individual resides with his or her custodial parent or with a kinship care
7 relative under s. 48.57 (3m) or with a long-term kinship care relative under s. 48.57
8 (3n) or is in a foster home licensed under s. 48.62, a subsidized guardianship home
9 under s. ~~48.62 (5)~~ 48.623, a group home, or an independent living arrangement
10 supervised by an adult.

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

12 49.155 **(1m)** (bm) If the individual is providing care for a child under a court
13 order and is receiving payments on behalf of the child under s. 48.57 (3m) or (3n) or
14 ~~48.62 (5)~~ 48.623, or if the individual is a foster parent, and child care is needed for
15 that child, the child meets the requirement under s. 49.145 (2) (c).

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

17 49.155 **(1m)** (c) 1g. If the individual is a foster parent of the child or a subsidized
18 guardian or interim caretaker of the child under s. ~~48.62 (5)~~ 48.623, the child's
19 biological or adoptive family has a gross income that is at or below 200% of the
20 poverty line. In calculating the gross income of the child's biological or adoptive
21 family, the department or county department or agency determining eligibility shall
22 include court-ordered child or family support payments received by the individual,
23 if those support payments exceed \$1,250 per month, and income described under s.
24 49.145 (3) (b) 1. and 3.

1 **SECTION 1378c.** 49.155 (3m) (d) of the statutes is renumbered 49.155 (3m) (d)

2 1. and amended to read:

3 49.155 (3m) (d) 1. No funds distributed under par. (a) may be used for child care
4 services that are provided for a child by a child care provider who is the parent of the
5 child or who resides with the child, ~~unless the county determines that the care is~~
6 ~~necessary because of a special health condition of the child.~~

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

8 49.155 (3m) (d) 2. If a child's parent is a child care provider, no funds
9 distributed under par. (a) may be used for child care services that are provided for
10 the child by another child care provider who is not the child's parent.

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

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

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

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

19 49.155 (4) (b) 1. Except as provided in subd. 2., no eligible individual may
20 benefit personally from any marketing or promotional offerings made by a child care
21 provider to attract clients or increase business.

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

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

3 49.155 (6) (e) 2. ~~The Except as provided in subd. 3., the department may not~~
4 increase the maximum reimbursement rates for child care providers ~~in 2009, in~~
5 ~~2010, or before June 30 in 2011, 2013.~~

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

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

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

11 49.155 (6) (e) 3. Beginning on July 1, 2012, the department may modify a child
12 care provider’s reimbursement rate under subd. 2. on the basis of the provider’s
13 quality rating, as described in the quality rating plan, in the following manner:

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

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

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

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

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

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

2 49.155 (6) (e) 4. The department may use a severity-index tool, as described
3 in the quality rating plan, to disqualify child care providers who receive a low quality
4 rating, as described in the quality rating plan, from receiving payment under this
5 section.

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

7 49.155 (6) (e) 5. For purposes of modifying reimbursement rates under subd.
8 3., the department shall assign a child care provider that is accredited from the
9 Council on Accreditation a 4-star rating or 5-star rating, whichever the department
10 determines is appropriate.

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

12 49.155 (6d) COST-SAVING MEASURES. (a) To reduce costs under the program
13 under this section, the department may do any of the following:

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

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

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

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

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

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

2 49.159 (3) OTHER CUSTODIAL PARENTS. A custodial parent in a Wisconsin ~~works~~
3 Works group in which the other custodial parent is a participant in a Wisconsin
4 ~~works~~ Works employment position or is receiving case management services under
5 s. 49.147 (2) (am) is eligible for employment training and job search assistance
6 services provided by the Wisconsin ~~works~~ Works agency.

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

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

10 49.162 (3) (am) 5. Host sites for employing individuals or placing work crews
11 under this section must be businesses that are operated for profit, except that in the
12 case of a natural disaster for which the governor has declared a state of emergency
13 under s. 323.10, the department shall give a preference to any work crew placement
14 or host site involved in natural disaster recovery.

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

16 49.165 (2) (c) (intro.) No grant may be made to an organization which provides
17 or will provide shelter facilities unless the department of ~~commerce~~ safety and
18 professional services determines that the physical plant of the facility will not be
19 dangerous to the health or safety of the residents when the facility is in operation.
20 No grant may be given to an organization which provides or will provide shelter
21 facilities or private home shelter care unless the organization ensures that the
22 following services will be provided either by that organization or by another
23 organization, person or agency:

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

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

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

6 49.175 (1) (a) *Wisconsin Works benefits.* For Wisconsin Works benefits,
7 ~~\$49,139,400~~ \$74,650,100 in fiscal year ~~2009-10~~ 2011-12 and ~~\$51,229,600~~
8 \$72,131,500 in fiscal year ~~2010-11~~ 2012-13.

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

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

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

15 49.175 (1) (f) *Wisconsin Works ancillary services.* For program services under
16 Wisconsin Works provided under contracts under s. 49.143, ~~\$38,471,500~~ \$47,229,300
17 in fiscal year ~~2009-10~~ 2011-12 and ~~\$35,471,500~~ \$47,229,300 in fiscal year ~~2010-11~~
18 2012-13.

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

20 49.175 (1) (g) *State administration of public assistance programs and costs of*
21 *overpayment collections.* For state administration of public assistance programs and
22 ~~costs associated with~~ the collection of public assistance overpayments, ~~\$16,985,900~~
23 in fiscal year ~~2009-10~~ and ~~\$17,091,700~~ \$12,918,900 in each fiscal year ~~2010-11~~.

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

1 49.175 (1) (i) *Emergency assistance*. For emergency assistance under s. 49.138,
2 \$6,500,000 and for transfer to the department of administration for low-income
3 energy or weatherization assistance programs, \$6,200,000 in fiscal year ~~2009-10~~
4 2011-12 and \$6,000,000 in fiscal year ~~2010-11~~ 2012-13.

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

6 49.175 (1) (L) *Transitional jobs demonstration project*. For the transitional jobs
7 demonstration project under s. 49.162, \$12,000,000 in fiscal year 2011-12.

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

9 49.175 (1) (p) *Direct child care services*. For direct child care services under s.
10 49.155, ~~\$384,987,600~~ \$301,631,000 in fiscal year ~~2009-10~~ 2011-12 and ~~\$402,496,800~~
11 \$298,523,500 in fiscal year ~~2010-11~~ 2012-13.

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

13 49.175 (1) (q) *Child care state administration and child care licensing*
14 *activities*. For administration of child care programs under s. 49.155 and the
15 allocation under s. 49.155 (1g) (c) for child care licensing activities, ~~\$8,534,700~~
16 \$19,702,100 in fiscal year ~~2009-10~~ 2011-12 and ~~\$8,889,700~~ \$19,783,800 in fiscal
17 year ~~2010-11~~ 2012-13.

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

19 49.175 (1) (qm) *Quality care for quality kids*. For the child care quality
20 improvement activities specified in s. 49.155 (1g), ~~\$5,384,600~~ \$13,486,700 in fiscal
21 year ~~2009-10~~ 2011-12 and ~~\$5,384,600~~ \$13,169,400 in fiscal year ~~2010-11~~ 2012-13.

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

23 49.175 (1) (r) *Children of recipients of supplemental security income*. For
24 payments made under s. 49.775 for the support of the dependent children of

1 recipients of supplemental security income, ~~\$29,899,800 in fiscal year 2009-10 and~~
2 ~~\$29,933,200~~ \$31,232,200 in each fiscal year thereafter.

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

4 49.175 (1) (s) *Kinship care, long-term kinship care, and foster care assistance.*

5 For the kinship care and long-term kinship care programs under s. 48.57 (3m), (3n),
6 and (3p) and for foster care for relatives under s. 48.62, ~~\$24,435,000 in fiscal year~~
7 ~~2009-10 and \$24,435,000~~ \$21,375,800 in each fiscal year 2010-11.

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

9 49.175 (1) (v) *Program improvement plan.* For services provided under the
10 child welfare program improvement plan developed under 45 CFR 1355.35, \$680,400
11 in fiscal year 2011-12 and \$1,360,800 in each fiscal year thereafter.

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

14 49.175 (1) (zh) *Earned income tax credit supplement.* For the transfer of
15 moneys from the appropriation account under s. 20.437 (2) (md) to the appropriation
16 account under s. 20.835 (2) (kf) for the earned income tax credit, ~~\$6,664,200 in fiscal~~
17 ~~year 2009-10 and \$43,664,200 in~~ each fiscal year 2010-11. [✓]

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

19 49.197 (1m) FRAUD INVESTIGATION. From the appropriations under s. 20.437 (2)
20 (dz), (kx), (L), (mc), (md), (me), and (nL), the department shall establish a program
21 to investigate suspected fraudulent activity on the part of recipients of aid to families
22 with dependent children under s. 49.19, on the part of participants in the Wisconsin
23 Works program under ss. 49.141 to 49.161, and, if the department of health services
24 contracts with the department under sub. (5), on the part of recipients of medical
25 assistance under subch. IV, food stamp benefits under the food stamp program under

1 7 USC 2011 to 2036, supplemental security income payments under s. 49.77,
2 payments for the support of children of supplemental security income recipients
3 under s. 49.775, and health care benefits under the Badger Care health care program
4 under s. 49.665. The department's activities under this subsection may include, but
5 are not limited to, comparisons of information provided to the department by an
6 applicant and information provided by the applicant to other federal, state, and local
7 agencies, development of an advisory welfare investigation prosecution standard,
8 and provision of funds to county departments under ss. 46.215, 46.22, and 46.23 or
9 multicounty consortia, as defined in s. 49.78 (1) (br), and to Wisconsin Works
10 agencies to encourage activities to detect fraud. The department shall cooperate
11 with district attorneys regarding fraud prosecutions.

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

13 49.197 (2) INCENTIVE PROGRAM FOR LOCAL FRAUD DETECTION. (a) In this
14 subsection:

- 15 1. "County department" means a county department under s. 46.22 or 46.23.
- 16 2. "Subsidy program" means the child care subsidy program under s. 49.155.
- 17 3. "Tribal governing body" means an elected governing body of a federally
18 recognized American Indian tribe.

19 (b) 1. Subject to subd. 2., the department shall by rule establish an incentive
20 program that, using moneys from the allocation under s. 49.175 (1) (p), rewards
21 county departments, Wisconsin Works agencies, and tribal governing bodies that
22 administer the subsidy program for identifying fraud in the subsidy program. The
23 rules shall specify that a county department, Wisconsin Works agency, or tribal
24 governing body shall receive, for identifying fraudulent activity under the subsidy
25 program on the part of a child care provider, an amount equal to the average monthly

1 subsidy payment per child during the prior fiscal year, multiplied by the number of
2 children participating in the subsidy program for whom the provider provides care,
3 multiplied by 1.5 months. A county department, Wisconsin Works agency, or tribal
4 governing body may use payments received under this subsection for any purpose for
5 which moneys under the Temporary Assistance for Needy Families block grant
6 program may be used under federal law.

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

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

21 49.197 (4) COUNTY AND TRIBAL ERROR REDUCTION. If the department of health
22 services contracts with the department under sub. (5), the department shall provide
23 funds from the appropriation under s. 20.437 (2) (kx) to counties, multicounty
24 consortia, as defined in s. 49.78 (1) (br), and governing bodies of federally recognized
25 American Indian tribes administering Medical Assistance under subch. IV, the food

1 stamp program under 7 USC 2011 to 2036, the supplemental security income
2 payments program under s. 49.77, the program providing payments for the support
3 of children of supplemental security income recipients under s. 49.775, and the
4 Badger Care health care program under s. 49.665 to offset administrative costs of
5 reducing payment errors in those programs.

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

7 49.265 (4) (a) The department shall distribute the federal community services
8 block grant funds received under 42 USC 9903 and ~~deposited in~~ credited to the
9 ~~appropriations~~ appropriation account under s. 20.437 (1) ~~(me)~~ and ~~(md)~~ (2) (mg).

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

11 49.43 (2r) "County," "county department," and "county department under s.
12 46.215, 46.22, or 46.23" includes a multicounty consortium in accordance with a
13 contract under s. 49.78 (2).

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

15 49.43 (8m) "Multicounty consortium" has the meaning given in s. 49.78 (1) (br).

16 **SECTION 1423k.** 49.45 (2m) of the statutes, as created by 2011 Wisconsin Act
17 10, is repealed and recreated to read:

18 49.45 (2m) AUTHORIZATION FOR MODIFICATIONS TO PROGRAMS; STUDY. (a) In this
19 subsection, "Medical Assistance program" includes any program operated under this
20 subchapter, demonstration program operated under 42 USC 1315, and program
21 operated under a waiver of federal law relating to medical assistance that is granted
22 by the federal department of health and human services.

23 (b) The department shall study potential changes to the Medical Assistance
24 state plan and to waivers of federal law relating to medical assistance obtained from

1 the federal department of health and human services for all of the following
2 purposes:

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

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

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

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

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

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

15 7. Supporting responsibility and choice of medical assistance recipients.

16 (c) Subject to par. (d), if the department determines, as a result of the study
17 under par. (b), that revision of existing statutes or rules would be necessary to
18 advance a purpose described in par. (b) 1. to 7., the department may propose a policy
19 that makes any of the following changes related to Medical Assistance programs:

20 1. Requires cost sharing from program benefit recipients up to the maximum
21 allowed by federal law or a waiver of federal law.

22 2. Authorizes providers to deny care or services if a program benefit recipient
23 is unable to share costs, to the extent allowed by federal law or waiver.

24 3. Modifies existing benefits or establishes various benefit packages and offers
25 different packages to different groups of recipients.

- 1 4. Revises provider reimbursement models for particular services.
- 2 5. Mandates that program benefit recipients enroll in managed care.
- 3 6. Restricts or eliminates presumptive eligibility.
- 4 7. To the extent permitted by federal law, imposes restrictions on providing
5 benefits to individuals who are not citizens of the United States.
- 6 8. Sets standards for establishing and verifying eligibility requirements.
- 7 9. Develops standards and methodologies to assure accurate eligibility
8 determinations and redetermines continuing eligibility.
- 9 10. Reduces income levels for purposes of determining eligibility to the extent
10 allowed by federal law or waiver and subject to the limitations under par. (e) 2.
- 11 (d) Before implementing a policy proposed under par. (c) that conflicts with a
12 statute, and before submitting any amendment or waiver request under par. (e) that
13 is necessary to implement any such policy, the department shall submit to the joint
14 committee on finance the proposed amendment or waiver request and estimates of
15 the projected cost savings associated with that amendment or waiver request. If the
16 cochairpersons of the committee do not notify the department within 14 working
17 days after the date of the department's submittal that the committee has scheduled
18 a meeting for the purpose of reviewing the proposed amendment or waiver request,
19 the proposed amendment or waiver request may be submitted to the federal
20 department of health and human services. If, within 14 working days after the date
21 of the department's submittal, the cochairpersons of the committee notify the
22 department that the committee has scheduled a meeting for the purpose of reviewing
23 the proposed amendment or waiver request, the proposed amendment or waiver
24 requested may be submitted only on approval of the committee.

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

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

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

20 1. An updated description of any Medical Assistance program changes
21 implemented by the department, including any amendments to the Medical
22 Assistance state plan.

23 2. An updated estimate of the projected savings associated with any changes
24 described under subd. 1.

1 3. An updated projection of the total Medical Assistance program benefit
2 expenditures during the fiscal biennium and an analysis of how these projected
3 expenditures compare to the funding provided in the 2011-13 biennial budget act.

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

6 **SECTION 1424p.** 49.45 (3) (n) of the statutes, as created by 2011 Wisconsin Act
7 10, is repealed and recreated to read:

8 49.45 (3) (n) This subsection does not apply if the department creates a policy
9 under sub. (2m) (c) 4., to the extent that the policy conflicts with this subsection.

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

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

13 49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriation accounts
14 under s. 20.435 (4) (b), (gm), (o), (w) and (xc), the department shall distribute not
15 more than \$5,000,000 in each fiscal year, to provide supplemental funds to rural
16 hospitals that, as determined by the department, have high utilization of inpatient
17 services by patients whose care is provided from governmental sources, except that
18 the department may not distribute funds to a rural hospital to the extent that the
19 distribution would exceed any limitation under 42 USC 1396b (i) (3).

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

21 49.45 (6m) (a) 6. "Resource Utilization Groupings III" means a comparative
22 resource utilization grouping that classifies each facility resident based on
23 information obtained from performing, for the resident, a minimum data set
24 assessment developed by the federal Centers for Medicare and Medicaid Services.

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

1 49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this
2 subsection made under s. 20.435 (4) (b), (gm), (o), (pa), or (w) shall, except as provided
3 in pars. (bg), (bm), and (br), be determined according to a prospective payment
4 system updated annually by the department. The payment system shall implement
5 standards that are necessary and proper for providing patient care and that meet
6 quality and safety standards established under subch. II of ch. 50 and ch. 150. The
7 payment system shall reflect all of the following:

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

9 49.45 (6m) (ag) 3p. a. The system shall may incorporate acuity measurements
10 under the most recent Resource Utilization Groupings III methodology to determine
11 factors for case-mix adjustment.

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

13 49.45 (6m) (ar) 1. a. The department shall establish standards for payment of
14 allowable direct care costs under par. (am) 1. bm., for facilities that do not primarily
15 serve the developmentally disabled, that take into account direct care costs for a
16 sample of all of those facilities in this state and separate standards for payment of
17 allowable direct care costs, for facilities that primarily serve the developmentally
18 disabled, that take into account direct care costs for a sample of all of those facilities
19 in this state. The standards shall be adjusted by the department for regional labor
20 cost variations. The department shall treat as a single labor region the counties of
21 Dane, Dodge, Iowa, Columbia, Sauk, and Rock and shall adjust payment so that the
22 direct care cost targets of facilities in Dane, Iowa, Columbia, and Sauk counties are
23 not reduced as a result of including facilities in Dodge and Rock County Counties in
24 this labor region. For facilities in Douglas, Dunn, Pierce, and St. Croix counties, the
25 department shall perform the adjustment by use of the wage index that is used by

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

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

5 49.45 (6m) (n) This subsection does not apply if the department creates a policy
6 under sub. (2m) (c) 4., to the extent that the policy conflicts with this subsection.

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

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

10 49.45 (6tw) PAYMENTS TO CITY HEALTH DEPARTMENTS. From the appropriation
11 account under s. 20.435 (7) (b), if the department selects the payment procedure
12 under s. 49.45 (52) (a), the department may make payments to local health
13 departments, as defined under s. 250.01 (4) (a) 3. Payment under this subsection to
14 such a local health department may not exceed on an annualized basis payment
15 made by the department to the local health department under s. 49.45 (6t), 2003
16 stats., for services provided by the local health department in 2002.

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

18 49.45 (6v) (b) The department shall, each year, submit to the joint committee
19 on finance a report for the previous fiscal year, except for the 1997-98 fiscal year, that
20 provides information on the utilization of beds by recipients of medical assistance in
21 facilities and a discussion and detailed projection of the likely balances,
22 expenditures, encumbrances and carry over of currently appropriated amounts in
23 the appropriation accounts under s. 20.435 (4) (b), (gm), and (o).

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

1 49.45 (6x) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriation
2 accounts under s. 20.435 (4) (b), ~~(gm)~~, (o), and (w), the department shall distribute
3 ~~not more than \$4,748,000 in each fiscal year, to provide funds to an essential access~~
4 ~~city hospital~~ all of the following, except that the department may not allocate funds
5 to an ~~essential access city~~ a hospital to the extent that the allocation would exceed
6 any limitation under 42 USC 1396b (i) (3);:

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

8 49.45 (6x) (a) 1. Not more than \$2,997,700 in fiscal year 2011-12 and not more
9 than \$2,988,700 in each fiscal year after fiscal year 2011-12 to an essential access
10 city hospital that has previously received the supplemental payment for being an
11 essential access city hospital.

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

17 3. If the federal department of health and human services allows the payment,
18 \$300,000 from the appropriation account under s. 20.435 (4) (b) annually to a
19 hospital that meets all of the following criteria:

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

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

24 c. The hospital is located in a city with a poverty level, as determined from the
25 2000 U.S. census, that is greater than 5 percent.

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

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

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

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

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

1 **SECTION 1435y.** 49.45 (8) (b) of the statutes, as affected by 2011 Wisconsin Act
2 10, is repealed and recreated to read:

3 49.45 (8) (b) Unless otherwise provided by the department by a policy created
4 under sub. (2m) (c), reimbursement under s. 20.435 (4) (b), (gm), (o), and (w) for home
5 health services provided by a certified home health agency or independent nurse
6 shall be made at the home health agency's or nurse's usual and customary fee per
7 patient care visit, subject to a maximum allowable fee per patient care visit that is
8 established under par. (c).

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

11 49.45 (8) (b) ~~Unless otherwise provided by the department by a policy created~~
12 ~~under sub. (2m) (c), reimbursement~~ Reimbursement under s. 20.435 (4) (b), (gm), (o),
13 and (w) for home health services provided by a certified home health agency or
14 independent nurse shall be made at the home health agency's or nurse's usual and
15 customary fee per patient care visit, subject to a maximum allowable fee per patient
16 care visit that is established under par. (c).

17 **SECTION 1436h.** 49.45 (8) (c) of the statutes, as affected by 2011 Wisconsin Act
18 10, is repealed and recreated to read:

19 49.45 (8) (c) The department shall establish a maximum statewide allowable
20 fee per patient care visit, for each type of visit with respect to provider, that may be
21 no greater than the cost per patient care visit, as determined by the department from
22 cost reports of home health agencies, adjusted for costs related to case management,
23 care coordination, travel, record keeping and supervision, unless otherwise provided
24 by the department by a policy created under sub. (2m) (c).

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

3 49.45 (8) (c) The department shall establish a maximum statewide allowable
4 fee per patient care visit, for each type of visit with respect to provider, that may be
5 no greater than the cost per patient care visit, as determined by the department from
6 cost reports of home health agencies, adjusted for costs related to case management,
7 care coordination, travel, record keeping and supervision, ~~unless otherwise provided~~
8 ~~by the department by a policy created under sub. (2m) (c).~~

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

11 49.45 (8r) PAYMENT FOR CERTAIN OBSTETRIC AND GYNECOLOGICAL CARE. Unless
12 otherwise provided by the department by a policy created under sub. (2m) (c), the rate
13 of payment for obstetric and gynecological care provided in primary care shortage
14 areas, as defined in s. 36.60 (1) (cm), or provided to recipients of medical assistance
15 who reside in primary care shortage areas, that is equal to 125% of the rates paid
16 under this section to primary care physicians in primary care shortage areas, shall
17 be paid to all certified primary care providers who provide obstetric or gynecological
18 care to those recipients.

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

21 49.45 (8r) PAYMENT FOR CERTAIN OBSTETRIC AND GYNECOLOGICAL CARE. ~~Unless~~
22 ~~otherwise provided by the department by a policy created under sub. (2m) (c), the~~ The
23 rate of payment for obstetric and gynecological care provided in primary care
24 shortage areas, as defined in s. 36.60 (1) (cm), or provided to recipients of medical
25 assistance who reside in primary care shortage areas, that is equal to 125% of the

1 rates paid under this section to primary care physicians in primary care shortage
2 areas, shall be paid to all certified primary care providers who provide obstetric or
3 gynecological care to those recipients.

4 **SECTION 1437e.** 49.45 (8v) of the statutes, as affected by 2011 Wisconsin Act
5 10, is repealed and recreated to read:

6 49.45 (8v) INCENTIVE-BASED PHARMACY PAYMENT SYSTEM. The department shall
7 establish a system of payment to pharmacies for legend and over-the-counter drugs
8 provided to recipients of medical assistance that has financial incentives for
9 pharmacists who perform services that result in savings to the medical assistance
10 program. Under this system, the department shall establish a schedule of fees that
11 is designed to ensure that any incentive payments made are equal to or less than the
12 documented savings unless otherwise provided by the department by a policy
13 created under sub. (2m) (c). The department may discontinue the system established
14 under this subsection if the department determines, after performance of a study,
15 that payments to pharmacists under the system exceed the documented savings
16 under the system.

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

19 49.45 (8v) INCENTIVE-BASED PHARMACY PAYMENT SYSTEM. The department shall
20 establish a system of payment to pharmacies for legend and over-the-counter drugs
21 provided to recipients of medical assistance that has financial incentives for
22 pharmacists who perform services that result in savings to the medical assistance
23 program. Under this system, the department shall establish a schedule of fees that
24 is designed to ensure that any incentive payments made are equal to or less than the
25 documented savings ~~unless otherwise provided by the department by a policy~~

1 ~~created under sub. (2m)(e)~~. The department may discontinue the system established
2 under this subsection if the department determines, after performance of a study,
3 that payments to pharmacists under the system exceed the documented savings
4 under the system.

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

6 49.45 (9p) PRIOR AUTHORIZATION PROHIBITED FOR WHEELCHAIR REPAIRS. (a) In this
7 subsection, "recipient of medical assistance" means an individual who receives
8 medical assistance under any of the following:

- 9 1. A program operated under this subchapter.
- 10 2. A demonstration program operated under 42 USC 1315.
- 11 3. A program operated under a waiver of federal law relating to medical
12 assistance that is granted by the federal department of health and human services.

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

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

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

22 49.45 (18) (ac) Except as provided in pars. (am) to (d), and subject to par. (ag),
23 any person eligible for medical assistance under s. 49.46, 49.468, or 49.47, or for the
24 benefits under s. 49.46 (2) (a) and (b) under s. 49.471 shall pay up to the maximum
25 amounts allowable under 42 CFR 447.53 to 447.58 for purchases of services provided

1 under s. 49.46 (2). The service provider shall collect the specified or allowable
2 copayment, coinsurance, or deductible, unless the service provider determines that
3 the cost of collecting the copayment, coinsurance, or deductible exceeds the amount
4 to be collected. The department shall reduce payments to each provider by the
5 amount of the specified or allowable copayment, coinsurance, or deductible. Unless
6 otherwise provided by the department by a policy created under sub. (2m) (c), no
7 provider may deny care or services because the recipient is unable to share costs, but
8 an inability to share costs specified in this subsection does not relieve the recipient
9 of liability for these costs.

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

12 49.45 (18) (ac) Except as provided in pars. (am) to (d), and subject to par. (ag),
13 any person eligible for medical assistance under s. 49.46, 49.468, or 49.47, or for the
14 benefits under s. 49.46 (2) (a) and (b) under s. 49.471 shall pay up to the maximum
15 amounts allowable under 42 CFR 447.53 to 447.58 for purchases of services provided
16 under s. 49.46 (2). The service provider shall collect the specified or allowable
17 copayment, coinsurance, or deductible, unless the service provider determines that
18 the cost of collecting the copayment, coinsurance, or deductible exceeds the amount
19 to be collected. The department shall reduce payments to each provider by the
20 amount of the specified or allowable copayment, coinsurance, or deductible. ~~Unless~~
21 ~~otherwise provided by the department by a policy created under sub. (2m) (c), no~~ No
22 provider may deny care or services because the recipient is unable to share costs, but
23 an inability to share costs specified in this subsection does not relieve the recipient
24 of liability for these costs.

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

3 49.45 (18) (ag) (intro.) Except as provided in pars. (am), (b), and (c), and subject
4 to par. (d), a recipient specified in par. (ac) shall pay all of the following, unless
5 otherwise provided by the department by a policy created under sub. (2m) (c):

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

8 49.45 (18) (ag) (intro.) Except as provided in pars. (am), (b), and (c), and subject
9 to par. (d), a recipient specified in par. (ac) shall pay all of the following, ~~unless~~
10 ~~otherwise provided by the department by a policy created under sub. (2m) (c):~~

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

13 49.45 (18) (b) (intro.) Unless otherwise provided by the department by a policy
14 created under sub. (2m) (c), the following services are not subject to recipient cost
15 sharing under this subsection:

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

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

21 **SECTION 1437t.** 49.45 (18) (d) of the statutes, as affected by 2011 Wisconsin Act
22 10, is repealed and recreated to read:

23 49.45 (18) (d) No person who designates a pharmacy or pharmacist as his or
24 her sole provider of prescription drugs and who so uses that pharmacy or pharmacist
25 is liable under this subsection for more than \$12 per month for prescription drugs

1 received, unless otherwise provided by the department by a policy created under sub.
2 (2m) (c).

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

5 49.45 (18) (d) No person who designates a pharmacy or pharmacist as his or
6 her sole provider of prescription drugs and who so uses that pharmacy or pharmacist
7 is liable under this subsection for more than \$12 per month for prescription drugs
8 received, unless otherwise provided by the department by a policy created under sub.
9 (2m) (c).

10 **SECTION 1438d.** 49.45 (23) (a) of the statutes, as affected by 2011 Wisconsin Act
11 10, is repealed and recreated to read:

12 49.45 (23) (a) The department shall request a waiver from the secretary of the
13 federal department of health and human services to permit the department to
14 conduct a demonstration project to provide health care coverage for basic primary
15 and preventive care to adults who are under the age of 65, who have family incomes
16 not to exceed 200 percent of the poverty line, and who are not otherwise eligible for
17 medical assistance under this subchapter, the Badger Care health care program
18 under s. 49.665, or Medicare under 42 USC 1395 et seq. If the department creates
19 a policy under sub. (2m) (c) 10., this paragraph does not apply to the extent that it
20 conflicts with the policy.

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

23 49.45 (23) (a) The department shall request a waiver from the secretary of the
24 federal department of health and human services to permit the department to
25 conduct a demonstration project to provide health care coverage for basic primary

1 and preventive care to adults who are under the age of 65, who have family incomes
2 not to exceed 200 percent of the poverty line, and who are not otherwise eligible for
3 medical assistance under this subchapter, the Badger Care health care program
4 under s. 49.665, or Medicare under 42 USC 1395 et seq. ~~If the department creates~~
5 ~~a policy under sub. (2m) (c) 10., this paragraph does not apply to the extent that it~~
6 ~~conflicts with the policy.~~

7 **SECTION 1438h.** 49.45 (23) (b) of the statutes, as affected by 2011 Wisconsin Act
8 10, is repealed and recreated to read:

9 49.45 (23) (b) If the waiver is granted and in effect, the department may
10 promulgate rules defining the health care benefit plan, including more specific
11 eligibility requirements and cost-sharing requirements. Unless otherwise provided
12 by the department by a policy created under sub. (2m) (c), cost sharing may include
13 an annual enrollment fee, which may not exceed \$75 per year. Notwithstanding s.
14 227.24 (3), the plan details under this subsection may be promulgated as an
15 emergency rule under s. 227.24 without a finding of emergency. If the waiver is
16 granted and in effect, the demonstration project under this subsection shall begin on
17 January 1, 2009, or on the effective date of the waiver, whichever is later.

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

20 49.45 (23) (b) If the waiver is granted and in effect, the department may
21 promulgate rules defining the health care benefit plan, including more specific
22 eligibility requirements and cost-sharing requirements. ~~Unless otherwise provided~~
23 ~~by the department by a policy created under sub. (2m) (c), cost~~ Cost sharing may
24 include an annual enrollment fee, which may not exceed \$75 per year.
25 Notwithstanding s. 227.24 (3), the plan details under this subsection may be

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

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

7 49.45 (24g) (c) The department's proposal under par. (a) shall specify increases
8 in reimbursement rates for providers that satisfy the conditions under par. (a) 1. or
9 2., and shall provide for payment of a monthly per-patient care coordination fee to
10 those providers. The department shall set the increases in reimbursement rates and
11 the monthly per-patient care coordination fee so that together they provide
12 sufficient incentive for providers to satisfy a condition under par. (a) 1. or 2. The
13 proposal shall specify effective dates for the increases in reimbursement rates and
14 the monthly per-patient care coordination fee that are no sooner than July 1, 2011.
15 If the department creates a policy under sub. (2m) (c) 4., this paragraph does not
16 apply to the extent that it conflicts with the policy.

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

19 49.45 (24g) (c) The department's proposal under par. (a) shall specify increases
20 in reimbursement rates for providers that satisfy the conditions under par. (a) 1. or
21 2., and shall provide for payment of a monthly per-patient care coordination fee to
22 those providers. The department shall set the increases in reimbursement rates and
23 the monthly per-patient care coordination fee so that together they provide
24 sufficient incentive for providers to satisfy a condition under par. (a) 1. or 2. The
25 proposal shall specify effective dates for the increases in reimbursement rates and

1 the monthly per-patient care coordination fee that are no sooner than July 1, 2011.
2 ~~If the department creates a policy under sub. (2m) (c) 4., this paragraph does not~~
3 ~~apply to the extent that it conflicts with the policy.~~

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

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

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

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

13 49.45 **(24r)** (a) The department shall implement any waiver granted by the
14 secretary of the federal department of health and human services to permit the
15 department to conduct a demonstration project to provide family planning, as
16 defined in s. 253.07 (1) (a), under medical assistance to any woman between the ages
17 of 15 and 44 whose family income does not exceed 200% of the poverty line for a family
18 the size of the woman's family. If the department creates a policy under sub. (2m)
19 (c) 10., this paragraph does not apply to the extent that it conflicts with the policy.

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

21 49.45 **(24r)** (b) The department may request an amended waiver from the
22 secretary to permit the department to conduct a demonstration project to provide
23 family planning to any man between the ages of 15 and 44 whose family income does
24 not exceed 200 percent of the poverty line for a family the size of the man's family.
25 If the amended waiver is granted, the department may implement the waiver. If the

1 department creates a policy under sub. (2m) (c) 10., this paragraph does not apply
2 to the extent that it conflicts with the policy.

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

4 49.45 (24s) FAMILY PLANNING PROJECT. (a) The department shall request a
5 waiver from the secretary of the federal department of health and human services
6 to permit the department to provide optional services for family planning, as defined
7 in s. 253.07 (1) (a), under medical assistance to any female between the ages of 15
8 and 44 whose family income does not exceed 200 percent of the poverty line for a
9 family the size of the female's family, unless otherwise provided by the department
10 by a policy created under sub. (2m) (c) 10. The department shall implement any
11 waiver granted.

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

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

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

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

22 49.45 (24s) (a) The department shall request a waiver from the secretary of the
23 federal department of health and human services to permit the department to
24 provide optional services for family planning, as defined in s. 253.07 (1) (a), under
25 medical assistance to any female between the ages of 15 and 44 whose family income

1 does not exceed 200 percent of the poverty line for a family the size of the female's
2 family, ~~unless otherwise provided by the department by a policy created under sub.~~
3 ~~(2m) (e) 10.~~ The department shall implement any waiver granted.

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

6 49.45 **(25g)** (c) The department's proposal under par. (b) shall specify increases
7 in reimbursement rates for providers that satisfy the conditions under par. (b), and
8 shall provide for payment of a monthly per-patient care coordination fee to those
9 providers. The department shall set the increases in reimbursement rates and the
10 monthly per-patient care coordination fee so that together they provide sufficient
11 incentive for providers to satisfy a condition under par. (b) 1. or 2. The proposal shall
12 specify effective dates for the increases in reimbursement rates and the monthly
13 per-patient care coordination fee that are no sooner than January 1, 2011. The
14 increases in reimbursement rates and monthly per-patient care coordination fees
15 that are not provided by the federal government shall be paid from the appropriation
16 under. s. 20.435 (1) (am). If the department creates a policy under sub. (2m) (c) 4.,
17 this paragraph does not apply to the extent it conflicts with the policy.

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

20 49.45 **(25g)** (c) The department's proposal under par. (b) shall specify increases
21 in reimbursement rates for providers that satisfy the conditions under par. (b), and
22 shall provide for payment of a monthly per-patient care coordination fee to those
23 providers. The department shall set the increases in reimbursement rates and the
24 monthly per-patient care coordination fee so that together they provide sufficient
25 incentive for providers to satisfy a condition under par. (b) 1. or 2. The proposal shall

1 specify effective dates for the increases in reimbursement rates and the monthly
2 per-patient care coordination fee that are no sooner than January 1, 2011. The
3 increases in reimbursement rates and monthly per-patient care coordination fees
4 that are not provided by the federal government shall be paid from the appropriation
5 under s. 20.435 (1) (am). ~~If the department creates a policy under sub. (2m) (c) 4.,~~
6 ~~this paragraph does not apply to the extent it conflicts with the policy.~~

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

9 49.45 (27) ELIGIBILITY OF ALIENS. A person who is not a U.S. citizen or an alien
10 lawfully admitted for permanent residence or otherwise permanently residing in the
11 United States under color of law may not receive medical assistance benefits except
12 as provided under 8 USC 1255a (h) (3) or 42 USC 1396b (v), unless otherwise
13 provided by the department by a policy created under sub. (2m) (c).

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

16 49.45 (27) ELIGIBILITY OF ALIENS. A person who is not a U.S. citizen or an alien
17 lawfully admitted for permanent residence or otherwise permanently residing in the
18 United States under color of law may not receive medical assistance benefits except
19 as provided under 8 USC 1255a (h) (3) or 42 USC 1396b (v), ~~unless otherwise~~
20 ~~provided by the department by a policy created under sub. (2m) (c).~~

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

23 49.45 (39) (b) 1. 'Payment for school medical services.' If a school district or a
24 cooperative educational service agency elects to provide school medical services and
25 meets all requirements under par. (c), the department shall reimburse the school

1 district or the cooperative educational service agency for 60% of the federal share of
2 allowable charges for the school medical services that it provides, unless otherwise
3 provided by the department by a policy created under sub. (2m) (c), and, as specified
4 in subd. 2., for allowable administrative costs. If the Wisconsin Center for the Blind
5 and Visually Impaired or the Wisconsin Educational Services Program for the Deaf
6 and Hard of Hearing elects to provide school medical services and meets all
7 requirements under par. (c), the department shall reimburse the department of
8 public instruction for 60% of the federal share of allowable charges for the school
9 medical services that the Wisconsin Center for the Blind and Visually Impaired or
10 the Wisconsin Educational Services Program for the Deaf and Hard of Hearing
11 provides, unless otherwise provided by the department by a policy created under sub.
12 (2m) (c), and, as specified in subd. 2., for allowable administrative costs. A school
13 district, cooperative educational service agency, the Wisconsin Center for the Blind
14 and Visually Impaired or the Wisconsin Educational Services Program for the Deaf
15 and Hard of Hearing may submit, and the department shall allow, claims for common
16 carrier transportation costs as a school medical service unless the department
17 receives notice from the federal health care financing administration that, under a
18 change in federal policy, the claims are not allowed. If the department receives the
19 notice, a school district, cooperative educational service agency, the Wisconsin
20 Center for the Blind and Visually Impaired, or the Wisconsin Educational Services
21 Program for the Deaf and Hard of Hearing may submit, and the department shall
22 allow, unreimbursed claims for common carrier transportation costs incurred before
23 the date of the change in federal policy. The department shall promulgate rules
24 establishing a methodology for making reimbursements under this paragraph. All
25 other expenses for the school medical services provided by a school district or a

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

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

10 49.45 (39) (b) 1. 'Payment for school medical services.' If a school district or a
11 cooperative educational service agency elects to provide school medical services and
12 meets all requirements under par. (c), the department shall reimburse the school
13 district or the cooperative educational service agency for 60% of the federal share of
14 allowable charges for the school medical services that it provides, ~~unless otherwise~~
15 ~~provided by the department by a policy created under sub. (2m) (e)~~, and, as specified
16 in subd. 2., for allowable administrative costs. If the Wisconsin Center for the Blind
17 and Visually Impaired or the Wisconsin Educational Services Program for the Deaf
18 and Hard of Hearing elects to provide school medical services and meets all
19 requirements under par. (c), the department shall reimburse the department of
20 public instruction for 60% of the federal share of allowable charges for the school
21 medical services that the Wisconsin Center for the Blind and Visually Impaired or
22 the Wisconsin Educational Services Program for the Deaf and Hard of Hearing
23 provides, ~~unless otherwise provided by the department by a policy created under sub.~~
24 ~~(2m) (e)~~, and, as specified in subd. 2., for allowable administrative costs. A school
25 district, cooperative educational service agency, the Wisconsin Center for the Blind

1 and Visually Impaired or the Wisconsin Educational Services Program for the Deaf
2 and Hard of Hearing may submit, and the department shall allow, claims for common
3 carrier transportation costs as a school medical service unless the department
4 receives notice from the federal health care financing administration that, under a
5 change in federal policy, the claims are not allowed. If the department receives the
6 notice, a school district, cooperative educational service agency, the Wisconsin
7 Center for the Blind and Visually Impaired, or the Wisconsin Educational Services
8 Program for the Deaf and Hard of Hearing may submit, and the department shall
9 allow, unreimbursed claims for common carrier transportation costs incurred before
10 the date of the change in federal policy. The department shall promulgate rules
11 establishing a methodology for making reimbursements under this paragraph. All
12 other expenses for the school medical services provided by a school district or a
13 cooperative educational service agency shall be paid for by the school district or the
14 cooperative educational service agency with funds received from state or local taxes.
15 The school district, the Wisconsin Center for the Blind and Visually Impaired, the
16 Wisconsin Educational Services Program for the Deaf and Hard of Hearing, or the
17 cooperative educational service agency shall comply with all requirements of the
18 federal department of health and human services for receiving federal financial
19 participation.

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

21 49.45 (51) (a) By November 1 annually, the department shall provide to the
22 department of revenue information concerning the estimated amounts of
23 supplements payable from the appropriation accounts under s. 20.435 (4) (b) and
24 (gm) to specific local governmental units for the provision of transportation for
25 medical care, as specified under s. 49.46 (2) (b) 3., during the fiscal year. Beginning

1 November 1, 2004, the information that the department provides under this
2 paragraph shall include any adjustments necessary to reflect actual claims
3 submitted by service providers in the previous fiscal year.

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

5 49.45 (52) (title) PAYMENT ADJUSTMENTS; FEDERAL FUNDING FOR CERTAIN SERVICES.

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

8 49.45 (52) (a) 1. ~~Beginning on January 1, 2003~~ If the department provides the
9 notice under par. (c) selecting the payment procedure in this paragraph, the
10 department may, from the appropriation account under s. 20.435 (7) (b), make
11 Medical Assistance payment adjustments to county departments under s. 46.215,
12 46.22, 46.23, ~~or~~ 51.42, or 51.437 or to local health departments, as defined in s. 250.01
13 (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and
14 (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16., except for
15 services specified under s. 49.46 (2) (b) 6. b. and c. provided to children participating
16 in the early intervention program under s. 51.44. Payment adjustments under this
17 ~~subsection~~ paragraph shall include the state share of the payments. The total of any
18 payment adjustments under this ~~subsection~~ paragraph and Medical Assistance
19 payments made from appropriation accounts under s. 20.435 (4) (b), (gm), (o), and
20 (w), may not exceed applicable limitations on payments under 42 USC 1396a (a) (30)
21 (A).

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

23 49.45 (52) (a) 2. The department may require a county department or local
24 health department to submit a certified cost report that meets the requirements of

1 the federal department of health and human services for covered services described
2 in subd. 1.

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

4 49.45 (52) (b) If the department provides the notice under par. (c) selecting the
5 payment procedure in this paragraph, all of the following apply:

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

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

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

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

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

24 49.45 (52) (c) The department shall select a payment procedure under either
25 par. (a) or (b) and may change which procedure under par. (a) or (b) is selected. The

1 department shall notify each county department and local health department, as
2 applicable, of the selected payment procedure before the date on which payment for
3 services is made under that selected or newly selected procedure.

4 **SECTION 1449.** 49.45 (53) of the statutes is amended to read:

5 49.45 (53) PAYMENTS FOR CERTAIN SERVICES. Beginning on January 1, 2003, the
6 department may, from the appropriation account under s. 20.435 (7) (b), make
7 Medical Assistance payments to providers for covered services under ss. 49.46 (2) (a)
8 4. d. and (b) 6. j. and m. and 49.471 (11) (f) that are provided before January 1, 2012.

9 **SECTION 1453e.** 49.46 (1) (n) of the statutes, as created by 2011 Wisconsin Act
10 10, is repealed and recreated to read:

11 49.46 (1) (n) If the department creates a policy under s. 49.45 (2m) (c) 8., 9., or
12 10., this subsection does not apply to the extent that it conflicts with the policy.

13 **SECTION 1453f.** 49.46 (1) (n) of the statutes, as created by 2011 Wisconsin Act
14 (this act), is repealed.

15 **SECTION 1453h.** 49.46 (2) (a) (intro.) of the statutes, as affected by 2011
16 Wisconsin Act 10, is repealed and recreated to read:

17 49.46 (2) (a) (intro.) Except as provided in par. (be) and unless otherwise
18 provided by the department by a policy created under s. 49.45 (2m) (c), the
19 department shall audit and pay allowable charges to certified providers for medical
20 assistance on behalf of recipients for the following federally mandated benefits:

21 **SECTION 1453i.** 49.46 (2) (a) (intro.) of the statutes, as affected by 2011
22 Wisconsin Act (this act), is amended to read:

23 49.46 (2) (a) (intro.) Except as provided in par. (be) ~~and unless otherwise~~
24 ~~provided by the department by a policy created under s. 49.45 (2m) (c), the~~

1 department shall audit and pay allowable charges to certified providers for medical
2 assistance on behalf of recipients for the following federally mandated benefits:

3 **SECTION 1453k.** 49.46 (2) (b) (intro.) of the statutes, as affected by 2011
4 Wisconsin Act 10, is repealed and recreated to read:

5 49.46 (2) (b) (intro.) Except as provided in pars. (be) and (dc) and unless
6 otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the
7 department shall audit and pay allowable charges to certified providers for medical
8 assistance on behalf of recipients for the following services:

9 **SECTION 1453L.** 49.46 (2) (b) (intro.) of the statutes, as affected by 2011
10 Wisconsin Act (this act), is amended to read:

11 49.46 (2) (b) (intro.) Except as provided in pars. (be) and (dc) ~~and unless~~
12 ~~otherwise provided by the department by a policy created under s. 49.45 (2m) (c), the~~
13 department shall audit and pay allowable charges to certified providers for medical
14 assistance on behalf of recipients for the following services:

15 **SECTION 1453m.** 49.46 (2) (c) 2. of the statutes is amended to read:

16 49.46 (2) (c) 2. For an individual who is entitled to coverage under ~~part~~ Part
17 A of medicare Medicare, entitled to coverage under ~~part~~ Part B of medicare Medicare,
18 meets the eligibility criteria under sub. (1), and meets the limitation on income under
19 subd. 6., ~~medical assistance~~ Medical Assistance shall include payment of the
20 deductible and coinsurance portions of ~~medicare~~ Medicare services under 42 USC
21 1395 to 1395zz ~~which that~~ are not paid under 42 USC 1395 to 1395zz, including those
22 ~~medicare~~ Medicare services that are not included in the approved state plan for
23 services under 42 USC 1396; the monthly premiums payable under 42 USC 1395v;
24 the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and the late
25 enrollment penalty, if applicable, for premiums under ~~part~~ Part A of medicare

1 Medicare. Payment of coinsurance for a service under ~~part~~ Part B of medicare
2 Medicare under 42 USC 1395j to 1395w, ~~other than payment of coinsurance for~~
3 ~~outpatient hospital services,~~ and payment of deductibles and coinsurance for
4 inpatient hospital services under Part A of Medicare may not exceed the allowable
5 charge for the service under ~~medical assistance~~ Medical Assistance minus the
6 ~~medicare~~ Medicare payment.

7 **SECTION 1453n.** 49.46 (2) (c) 3. of the statutes is amended to read:

8 49.46 (2) (c) 3. For an individual who is only entitled to coverage under ~~part~~
9 Part A of medicare Medicare, meets the eligibility criteria under sub. (1), and meets
10 the limitation on income under subd. 6., ~~medical assistance~~ Medical Assistance shall
11 include payment of the deductible and coinsurance portions of ~~medicare~~ Medicare
12 services under 42 USC 1395 to 1395i ~~which that~~ are not paid under 42 USC 1395 to
13 1395i, including those ~~medicare~~ Medicare services that are not included in the
14 approved state plan for services under 42 USC 1396; the monthly premiums, if
15 applicable, under 42 USC 1395i-2 (d); and the late enrollment penalty, if applicable,
16 for premiums under ~~part~~ Part A of medicare Medicare. Payment of deductibles and
17 coinsurance for inpatient hospital services under Part A of Medicare may not exceed
18 the allowable charge for the service under Medical Assistance minus the Medicare
19 payment.

20 **SECTION 1453o.** 49.46 (2) (c) 4. of the statutes is amended to read:

21 49.46 (2) (c) 4. For an individual who is entitled to coverage under ~~part~~ Part
22 A of medicare Medicare, entitled to coverage under ~~part~~ Part B of medicare Medicare,
23 and meets the eligibility criteria for ~~medical assistance~~ Medical Assistance under
24 sub. (1), but does not meet the limitation on income under subd. 6., ~~medical~~
25 ~~assistance~~ Medical Assistance shall include payment of the deductible and

1 coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395zz
2 which that are not paid under 42 USC 1395 to 1395zz, including those ~~medicare~~
3 Medicare services that are not included in the approved state plan for services under
4 42 USC 1396. Payment of coinsurance for a service under ~~part~~ Part B of ~~medicare~~
5 Medicare under 42 USC 1395j to 1395w, ~~other than payment of coinsurance for~~
6 ~~outpatient hospital services, and payment of deductibles and coinsurance for~~
7 ~~inpatient hospital services under Part A of Medicare~~ may not exceed the allowable
8 charge for the service under ~~medical assistance~~ Medical Assistance minus the
9 ~~medicare~~ Medicare payment.

10 **SECTION 1453p.** 49.46 (2) (c) 5. of the statutes is amended to read:

11 49.46 (2) (c) 5. For an individual who is only entitled to coverage under ~~part~~
12 Part A of ~~medicare~~ Medicare and meets the eligibility criteria for ~~medical assistance~~
13 Medical Assistance under sub. (1), but does not meet the limitation on income under
14 subd. 6., ~~medical assistance~~ Medical Assistance shall include payment of the
15 deductible and coinsurance portions of ~~medicare~~ Medicare services under 42 USC
16 1395 to 1395i which that are not paid under 42 USC 1395 to 1395i, including those
17 ~~medicare~~ Medicare services that are not included in the approved state plan for
18 services under 42 USC 1396. Payment of deductibles and coinsurance for inpatient
19 hospital services under Part A of Medicare may not exceed the allowable charge for
20 the service under Medical Assistance minus the Medicare payment.

21 **SECTION 1453q.** 49.46 (2) (c) 5m. of the statutes is amended to read:

22 49.46 (2) (c) 5m. For an individual who is only entitled to coverage under ~~part~~
23 Part B of ~~medicare~~ Medicare and meets the eligibility criteria under sub. (1), but does
24 not meet the limitation on income under subd. 6., ~~medical assistance~~ Medical
25 Assistance shall include payment of the deductible and coinsurance portions of

1 ~~medicare~~ Medicare services under 42 USC 1395j to 1395w, including those ~~medicare~~
2 Medicare services that are not included in the approved state plan for services under
3 42 USC 1396. Payment of coinsurance for a service under ~~part~~ Part B of ~~medicare,~~
4 ~~other than payment of coinsurance for outpatient hospital services,~~ Medicare may
5 not exceed the allowable charge for the service under ~~medical assistance~~ Medical
6 Assistance minus the ~~medicare~~ Medicare payment.

7 **SECTION 1453r.** 49.465 (2) (intro.) of the statutes, as affected by 2011 Wisconsin
8 Act 10, is repealed and recreated to read:

9 49.465 (2) (intro.) Unless otherwise provided by the department by a policy
10 created under s. 49.45 (2m) (c), a pregnant woman is eligible for medical assistance
11 benefits, as provided under sub. (3), during the period beginning on the day on which
12 a qualified provider determines, on the basis of preliminary information, that the
13 woman's family income does not exceed the highest level for eligibility for benefits
14 under s. 49.46 (1) or 49.47 (4) (am) or (c) 1. and ending as follows:

15 **SECTION 1453s.** 49.465 (2) (intro.) of the statutes, as affected by 2011 Wisconsin
16 Act ... (this act), is amended to read:

17 49.465 (2) (intro.) ~~Unless otherwise provided by the department by a policy~~
18 ~~created under s. 49.45 (2m) (c), a~~ A pregnant woman is eligible for medical assistance
19 benefits, as provided under sub. (3), during the period beginning on the day on which
20 a qualified provider determines, on the basis of preliminary information, that the
21 woman's family income does not exceed the highest level for eligibility for benefits
22 under s. 49.46 (1) or 49.47 (4) (am) or (c) 1. and ending as follows:

23 **SECTION 1455.** 49.468 (1) (b) of the statutes is amended to read:

24 49.468 (1) (b) For an elderly or disabled individual who is entitled to coverage
25 under ~~part~~ Part A of ~~medicare~~ Medicare, entitled to coverage under ~~part~~ Part B of

1 ~~medicare~~ Medicare, and who does not meet the eligibility criteria for ~~medical~~
2 ~~assistance~~ Medical Assistance under s. 49.46 (1), 49.465, 49.47 (4), or 49.471 but
3 meets the limitations on income and resources under par. (d), ~~medical assistance~~
4 Medical Assistance shall pay the deductible and coinsurance portions of ~~medicare~~
5 Medicare services under 42 USC 1395 to 1395zz ~~which that~~ are not paid under 42
6 USC 1395 to 1395zz, including those ~~medicare~~ Medicare services that are not
7 included in the approved state plan for services under 42 USC 1396; the monthly
8 premiums payable under 42 USC 1395v; the monthly premiums, if applicable, under
9 42 USC 1395i-2 (d); and the late enrollment penalty, if applicable, for premiums
10 under ~~part~~ Part A of Medicare. Payment of coinsurance for a service under
11 ~~part~~ Part B of Medicare under 42 USC 1395j to 1395w, ~~other than payment~~
12 ~~of coinsurance for outpatient hospital services, and payment of deductibles and~~
13 ~~coinsurance for inpatient hospital services under Part A of Medicare~~ may not exceed
14 the allowable charge for the service under ~~medical assistance~~ Medical Assistance
15 minus the ~~medicare~~ Medicare payment.

16 **SECTION 1456.** 49.468 (1) (c) of the statutes is amended to read:

17 49.468 (1) (c) For an elderly or disabled individual who is only entitled to
18 coverage under ~~part~~ Part A of Medicare and who does not meet the
19 eligibility criteria for ~~medical assistance~~ Medical Assistance under s. 49.46 (1),
20 49.465, 49.47 (4), or 49.471 but meets the limitations on income and resources under
21 par. (d), ~~medical assistance~~ Medical Assistance shall pay the deductible and
22 coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395i
23 ~~which that~~ are not paid under 42 USC 1395 to 1395i, including those ~~medicare~~
24 Medicare services that are not included in the approved state plan for services under
25 42 USC 1396; the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and

1 the late enrollment penalty for premiums under ~~part~~ Part A of medicare Medicare,
2 if applicable. Payment of deductibles and coinsurance for inpatient hospital services
3 under Part A of Medicare may not exceed the allowable charge for the service under
4 Medical Assistance minus the Medicare payment.

5 **SECTION 1457p.** 49.47 (4) (a) (intro.) of the statutes, as affected by 2011
6 Wisconsin Act 10, is repealed and recreated to read:

7 49.47 (4) (a) (intro.) Unless otherwise provided by the department by a policy
8 created under s. 49.45 (2m) (c), any individual who meets the limitations on income
9 and resources under pars. (b) to (c) and who complies with pars. (cm) and (cr) shall
10 be eligible for medical assistance under this section if such individual is:

11 **SECTION 1457q.** 49.47 (4) (a) (intro.) of the statutes, as affected by 2011
12 Wisconsin Act (this act), is amended to read:

13 49.47 (4) (a) (intro.) ~~Unless otherwise provided by the department by a policy~~
14 ~~created under s. 49.45 (2m) (c), any~~ Any individual who meets the limitations on
15 income and resources under pars. (b) to (c) and who complies with pars. (cm) and (cr)
16 shall be eligible for medical assistance under this section if such individual is:

17 **SECTION 1459.** 49.47 (4) (i) 1. of the statutes is amended to read:

18 49.47 (4) (i) 1. The department shall request a waiver from the secretary of the
19 federal department of health and human services to permit the application of subd.
20 2. The waiver shall request approval to implement the waiver on a statewide basis,
21 unless the department of health services determines that statewide implementation
22 of the waiver would present an obstacle to the approval of the waiver by the secretary
23 of the federal department of health and human services, in which case the waiver
24 shall request approval to implement the waiver in 48 pilot counties to be selected by
25 the department of health services. Within 30 days after August 12, 1993, the