

2019 DRAFTING REQUEST

Bill

For: **Administration-Budget** Drafter: **swalkenh**
 By: **Ames** Secondary Drafters:
 Date: **2/8/2019** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email:
 Carbon copy (CC) to: **DOASBOSatLanguage@wisconsin.gov**
sarah.walkenhorstbarber@legis.wisconsin.gov
tamara.dodge@legis.wisconsin.gov

Pre Topic:

DOA:.....Ames, BB0311 -

Topic:

Disproportionate Share Hospital Payment Increases

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	swalkenh 2/9/2019	csicilia 2/11/2019			
/P1	swalkenh 2/16/2019		lparisi 2/11/2019		State
/P2	swalkenh 2/27/2019	csicilia 2/18/2019	lparisi 2/18/2019		State
/P3	swalkenh 2/27/2019	anienaja 2/27/2019	lparisi 2/27/2019		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P4		wjackson 2/27/2019	dwalker 2/27/2019		State

FE Sent For:

<END>

Walkenhorst Barber, Sarah

From: Hanaman, Cathlene
Sent: Friday, February 08, 2019 10:53 AM
To: Walkenhorst Barber, Sarah; Dodge, Tamara; Paczuski, Konrad
Subject: FW: Statutory Language Drafting Request - 2019-21

From: Ames, Kyle - DOA <Kyle.Ames@wisconsin.gov>
Sent: Friday, February 08, 2019 10:33 AM
To: Hanaman, Cathlene <Cathlene.Hanaman@legis.wisconsin.gov>
Cc: Dombrowski, Cynthia A - DOA <Cynthia.Dombrowski@wisconsin.gov>; Ames, Kyle - DOA <Kyle.Ames@wisconsin.gov>
Subject: Statutory Language Drafting Request - 2019-21

Biennial Budget: 2019-21

Topic: Disproportionate Share Hospital Payment Increases

Tracking Code: BB0311

SBO Team: HSI

SBO Analyst: Ames, Kyle
Phone: (608) 266-2214
E-mail: kyle.ames@wisconsin.gov

Agency Acronym: 435

Agency Number: 435

Priority: Low

Intent:

Under s. 49.45 (3m)(a), please change the total sum of state share of disproportionate share hospital payments to \$55,300,000. Under s. 49.45(3m)(b)3.a, please change the limit disbursed to hospitals from \$4,600,000 to \$9,200,000.

Attachments: False

Please send completed drafts to SBOSatlanguage@spmail.enterprise.wistate.us



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-18997

SWB:...

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1/1

DOA:.....Ames, BB0311 - Disproportionate Share Hospital Payment
Increases

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

IN 4/9

⊙

DHS
may pay

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

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

This bill increases the amount that DHS is required to pay to hospitals that serve a disproportionate share of low-income patients and meet certain other criteria, including that 1) the hospital is located in this state; 2) the hospital provides a wide array of services, including services provided through an emergency department; 3) the inpatient days for Medical Assistance recipients at the hospital were at least six percent of the total inpatient days at that hospital during the most recent year for which such information is available; and 4) the hospital meets applicable, minimum requirements to be a disproportionate share hospital under federal law.

The bill also increases the maximum amount that a single hospital may receive in a fiscal year from \$4,600,000 to \$9,200,000. Under current law and under the bill, the maximum payment to hospitals must also be in accordance with federal rules concerning the hospital specific limit.

such

As provided there is no conflict with federal rules

6

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rules

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 49.45 (3m) (a) (intro.) of the statutes is amended to read:
 2 **49.45 (3m)** (a) (intro.) Subject to par. (c) and notwithstanding sub. (3) (e), from
 3 the appropriations under s. 20.435 (4) (b) and (o), in each fiscal year, the department
 4 shall pay to hospitals that serve a disproportionate share of low-income patients an
 5 amount equal to the sum of ~~\$27,500,000~~ \$55,300,000, as the state share of payments,
 6 and the matching federal share of payments. The department may make a payment
 7 to a hospital under this subsection under the calculation method described in par. (b)
 8 if the hospital meets all of the following criteria:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109; 2003 a. 33, 318, 321; 2005 a. 22; 2005 a. 25 ss. 1120 to 1149f, 2503 to 2510; 2005 a. 107, 165, 253, 254, 264, 301, 340, 386, 441; 2007 a. 20 ss. 1513 to 1559h, 9121 (6) (a); 2007 a. 90, 97, 104, 141, 153; 2009 a. 2, 28, 113, 177, 180, 190, 221, 334, 342; 2011 a. 10, 32, 120, 126, 158, 192, 209, 258; 2011 a. 260 s. 81; 2013 a. 20, 92; 2013 a. 116 ss. 2, 3, 29, 30; 2013 a. 117 ss. 2, 4; 2013 a. 130; 2013 a. 165 s. 114; 2013 a. 226; 2015 a. 55, 152, 153, 172, 294; 2017 a. 34, 59, 138, 185, 262, 268, 271, 279, 306, 344, 370; s. 13.92 (1) (bm) 2.

9 **SECTION 2.** 49.45 (3m) (b) 3. a. of the statutes is amended to read:

10 **49.45 (3m)** (b) 3. a. No single hospital receives more than ~~\$4,600,000~~
 11 \$9,200,000.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109; 2003 a. 33, 318, 321; 2005 a. 22; 2005 a. 25 ss. 1120 to 1149f, 2503 to 2510; 2005 a. 107, 165, 253, 254, 264, 301, 340, 386, 441; 2007 a. 20 ss. 1513 to 1559h, 9121 (6) (a); 2007 a. 90, 97, 104, 141, 153; 2009 a. 2, 28, 113, 177, 180, 190, 221, 334, 342; 2011 a. 10, 32, 120, 126, 158, 192, 209, 258; 2011 a. 260 s. 81; 2013 a. 20, 92; 2013 a. 116 ss. 2, 3, 29, 30; 2013 a. 117 ss. 2, 4; 2013 a. 130; 2013 a. 165 s. 114; 2013 a. 226; 2015 a. 55, 152, 153, 172, 294; 2017 a. 34, 59, 138, 185, 262, 268, 271, 279, 306, 344, 370; s. 13.92 (1) (bm) 2.

12

(END)

Walkenhorst Barber, Sarah

From: Ames, Kyle - DOA
Sent: Friday, February 15, 2019 5:15 PM
To: Walkenhorst Barber, Sarah
Cc: Dombrowski, Cynthia A - DOA
Subject: LRB-1899/P1

Sarah:

✓ For the DSH Payment draft, the DSH allotment should be changed to \$29,000,000 (for the state share).

Additionally, under s. 49.45(3m)(b)3.a., the disbursement to hospitals should be \$9,200,000 except for those hospitals that are "a free-standing pediatric teaching hospital located in Wisconsin with Medicaid utilization greater than 50 percent." Hospitals that meet this criteria will have a max disbursement of \$12,000,000 annually.

Please let us know if you have any questions.

Kyle

Medicaid inpatient utilization rate = that has percentage calculated under (3m)(b)1.a.



KYLE AMES | Executive Budget and Policy Analyst
Department of Administration
Division of Executive Budget and Finance
Kyle.Ames@wisconsin.gov
Main: (608) 266-2214 |



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1899/P1
SWB:cjs

Stans
1/2
RMR

DOA:.....Ames, BB0311 - Disproportionate Share Hospital Payment
Increases

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

IN 2/14

↑ except that a hospital located in Wisconsin that is a free-standing pediatric training hospital that has a Medicaid inpatient utilization rate greater than 50 percent may receive up to \$12,000,000 each fiscal year

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

INS
sub-sub italics
Disproportionate Share
Hospital Payments

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

This bill increases the amount that DHS is required to pay to hospitals that serve a disproportionate share of low-income patients and meet certain other criteria, including that 1) the hospital is located in this state; 2) the hospital provides a wide array of services, including services provided through an emergency department; 3) the inpatient days for Medical Assistance recipients at the hospital were at least 6 percent of the total inpatient days at that hospital during the most recent year for which such information is available; and 4) the hospital meets applicable, minimum requirements to be a disproportionate share hospital under federal law.

The bill also increases the maximum amount that DHS may pay a single such hospital in a fiscal year, provided there is no conflict with federal rules, from \$4,600,000 to \$9,200,000.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 SECTION 1. 49.45 (3m) (a) (intro.) of the statutes is amended to read:

2 49.45 (3m) (a) (intro.) Subject to par. (c) and notwithstanding sub. (3) (e), from
3 the appropriations under s. 20.435 (4) (b) and (o), in each fiscal year, the department
4 shall pay to hospitals that serve a disproportionate share of low-income patients an
5 amount equal to the sum of \$27,500,000 ~~\$55,300,000~~ ^{\$29,000,000} as the state share of payments,
6 and the matching federal share of payments. The department may make a payment
7 to a hospital under this subsection under the calculation method described in par. (b)
8 if the hospital meets all of the following criteria:

9 SECTION 2. 49.45 (3m) (b) 3. a. of the statutes is amended to read:

10 49.45 (3m) (b) 3. a. No single hospital receives more than \$4,600,000

11 ~~\$9,200,000~~ ^{except that} a hospital that is a free-standing pediatric

12 teaching hospital located in Wisconsin that has a
(END)

percentage calculated under subd. 1. a. greater
than 50 percent may receive up to \$12,000,000
each fiscal year

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2/27

Per Kyle (DOA)

Dollar amount pg 2, line 5 should be
\$55,300,000 - a \$29,000,000 increase (ish)



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1899/P2

SWB:cjs

193

DOA:.....Ames, BB0311 - Disproportionate Share Hospital Payment
Increases

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

IN 2/27

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

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

1. Disproportionate share hospital payments

This bill increases the amount that DHS is required to pay to hospitals that serve a disproportionate share of low-income patients and meet certain other criteria, including that 1) the hospital is located in this state; 2) the hospital provides a wide array of services, including services provided through an emergency department; 3) the inpatient days for Medical Assistance recipients at the hospital were at least 6 percent of the total inpatient days at that hospital during the most recent year for which such information is available; and 4) the hospital meets applicable, minimum requirements to be a disproportionate share hospital under federal law.

The bill also increases the maximum amount that DHS may pay a single such hospital in a fiscal year, provided there is no conflict with federal rules, from \$4,600,000 to \$9,200,000, except that a hospital located in Wisconsin that is a free-standing pediatric teaching hospital that has a Medicaid inpatient utilization rate greater than 50 percent may receive up to \$12,000,000 each fiscal year.



2/27

Per Kyle,

Dollar amount should be \$56,500,000 - Pg 2, line 5

\$29,000,000 increase from existing amount



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1899(P3)
SWB:cjs&amn

1/14
RMR

DOA:.....Ames, BB0311 - Disproportionate Share Hospital Payment
Increases

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

IN 2/21

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

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

1. Disproportionate share hospital payments

This bill increases the amount that DHS is required to pay to hospitals that serve a disproportionate share of low-income patients and meet certain other criteria, including that 1) the hospital is located in this state; 2) the hospital provides a wide array of services, including services provided through an emergency department; 3) the inpatient days for Medical Assistance recipients at the hospital were at least 6 percent of the total inpatient days at that hospital during the most recent year for which such information is available; and 4) the hospital meets applicable, minimum requirements to be a disproportionate share hospital under federal law.

The bill also increases the maximum amount that DHS may pay a single such hospital in a fiscal year, provided there is no conflict with federal rules, from \$4,600,000 to \$9,200,000, except that a hospital located in Wisconsin that is a free-standing pediatric teaching hospital that has a Medicaid inpatient utilization rate greater than 50 percent may receive up to \$12,000,000 each fiscal year.



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1899/P4
SWB:cjs&amn

DOA:.....Ames, BB0311 - Disproportionate Share Hospital Payment
Increases

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

1. *Disproportionate share hospital payments*

This bill increases the amount that DHS is required to pay to hospitals that serve a disproportionate share of low-income patients and meet certain other criteria, including that 1) the hospital is located in this state; 2) the hospital provides a wide array of services, including services provided through an emergency department; 3) the inpatient days for Medical Assistance recipients at the hospital were at least 6 percent of the total inpatient days at that hospital during the most recent year for which such information is available; and 4) the hospital meets applicable, minimum requirements to be a disproportionate share hospital under federal law.

The bill also increases the maximum amount that DHS may pay a single such hospital in a fiscal year, provided there is no conflict with federal rules, from \$4,600,000 to \$9,200,000, except that a hospital located in Wisconsin that is a free-standing pediatric teaching hospital that has a Medicaid inpatient utilization rate greater than 50 percent may receive up to \$12,000,000 each fiscal year.

