

**ADMINISTRATIVE RULES – FISCAL ESTIMATE**

**1. Fiscal Estimate Version**

Original    Updated    Corrected

**2. Administrative Rule Chapter Title and Number**

HFS 1, Uniform Fee System and HFS 65, Supportive Services for Families with Disabled Children

**3. Subject**

Determining parental payment limits for children’s long-term support services.

**4. State Fiscal Effect:**

<input checked="" type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No   May be possible to absorb within agency's budget.
		<input type="checkbox"/> Decrease Costs

**5. Fund Sources Affected:**

GPR    FED    PRO    PRS    SEG    SEG-S

**6. Affected Ch. 20, Stats. Appropriations:**

**7. Local Government Fiscal Effect:**

<input type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Revenues	<input type="checkbox"/> Increase Costs
<input checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Revenues	<input type="checkbox"/> Decrease Costs

**8. Local Government Units Affected:**

Towns    Villages    Cities    Counties    School Districts    WTCS Districts    Others:

**9. Private Sector Fiscal Effect (small businesses only):**

<input checked="" type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Revenues	<input type="checkbox"/> Increase Costs
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No   May have significant economic impact on a substantial number of small businesses
	<input type="checkbox"/> Yes <input type="checkbox"/> No   May have significant economic impact on a substantial number of small businesses	<input type="checkbox"/> Decrease Costs

**10. Types of Small Businesses Affected:**

The proposed rules do not affect businesses.

**11. Fiscal Analysis Summary**

Families with children who have long-term care supports needs receive services from a number of programs implemented by county human and social services agencies under the Children’s Long-Term Support (CLTS) Waivers; the Community Integration Program (CIP1); the Community Options Program (COP); and the Family Support Program (FSP). As required under s. 46.10 (1) to (14) (a), Stats., parents of children who receive these services pay a portion of the costs for these services.

The Department's order proposes to create rules under ch. HFS 1, to codify, in administrative rule, the schedule by which county agencies determine the limits on parental payments required under s. 46.10 (1) to (14) (a), Stats., for services received by children with long-term supports needs under the various programs. The Department established the parental payment limits for services received under these programs in 2005. The parental payment limits are currently implemented under s. HFS 1.03 (13m). The proposal to codify the parental payment limits in rules only slightly modifies the schedule pursuant to which the limits are determined. This was done to assure a consistent application across family size.

The Department also proposes to provide that counties using s. HFS 65.05 (7), to determine parental payment limits for services received by families under the Family Support Program be determined using the same schedule as is applicable to the services identified in the preceding paragraph. Under s. HFS 65.05 (7), counties assess parental payment limits after calculating parent's annual gross income, which is adjusted by a budget allowance for the family size according to Federal Poverty Level (FPL) guidelines, liability for medical expenses, any amounts payable by parents for other services under ch. HFS 1, and other reductions as determined by the county implementing the program.

Under the proposed rule, counties which currently collect fees under s. HFS 65.05 (7) would assess parents who have annual incomes at or above 330% of the FPL a percentage (which could range from a minimum 1% to a maximum 41%) of the child's plan costs. The parental payment limits for these families would be determined by counties after calculating the parent's annual gross income, adjusted by a standard allowance; or actual medical or dental expenses claimed on the parent's federal income tax form Schedule A, whichever is higher, the family's poverty level for the family size, and the child's service plan costs. Under this schedule, counties would not collect parental payments from families who have annual incomes below 330% of the FPL.

The amount of the annualized payments collected by counties under the proposed rule is indeterminate due to a number of variables that are difficult to quantify. Counties differ in how they collect parental payments for the Family Support Program, which may affect whether they currently use the fee schedule established by the Department under s. HFS 1.03 (13m), or the fee schedule under s. HFS 65.05 (7), or both to determine parental payment limits. Under the proposed rules, counties would collect parental payments from families receiving services under the Family Support Program, whose incomes are at or above 330% of the FPL who do not currently pay parental fees. Counties could also collect higher parental payments from families who have incomes at or above 330% of the FPL, because the payment limits would be determined in proportion to the costs of the child's service plan, family size, and income level. At the same time, counties would collect no fees from families whose incomes are below 330% of the FPL.

Counties would not incur additional costs associated with implementing the proposed change, since counties already have the staff expertise and appropriate calculation tables from the Department needed to determine the parental payment. This proposed order, in general, would provide a unified system for calculating parental payments for children's long term support services. The proposed rules would not have a fiscal effect on the Department. The proposed rules do not affect businesses. The proposed rules would not result in a loss of services nor any changes to services to families.

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## 12. Long-Range Fiscal Implications

None known.

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Signature - DHFS Secretary or Designee	Telephone Number	Date

