

ADMINISTRATIVE RULES – FISCAL ESTIMATE

1. Fiscal Estimate Version

Original Updated Corrected

2. Administrative Rule Chapter Title and Number

HFS 10 Family Care

3. Subject

To revise ch. DHS 10, relating to fair hearings and continuation of benefits pending the outcome of a grievance, department review, or fair hearing under the family care program.

4. State Fiscal Effect:

<input type="checkbox"/> No Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs
<input checked="" 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:

None

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"/>	<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:

None

11. Fiscal Analysis Summary

The Department is amending this rule to reflect changes in state law and federal policy with regard to Family Care enrollees who are not MA eligible or have care needs below a nursing home level of care. The revised rule will result in an indeterminate decrease in costs to the State and to Family Care managed care organizations (MCOs). Some MCOs are units of county government. Some MCOs are private non-profit organizations. These MCOs all receive annual capitation payments that exceed \$5 million and thus are not considered "small businesses" as defined under s. 227.114 (1), Stats. The decrease in costs to the State and to MCOs will result from not being

required to assign staff to conduct or participate in fair hearings. In addition, MCOs may have decreased costs because they will not be required to continue to provide services during an appeal.

The group of affected individuals is a closed class. Enrollment of new non-Medicaid eligible persons stopped December 31, 2007 and all current non-Medicaid enrollees will have been disenrolled no later than June 30, 2008. After that date, there will be no new persons that can be affected by the elimination of non-Medicaid eligibility. On January 1, 2008, MCOs stopped providing home and community-based waiver services to new enrollees at the non-nursing home level of care, and managed care organizations that choose to reduce or terminate services to existing enrollees at the non-nursing home level as a result of the change in benefit will provide notice and do so when the emergency rule is published. After that date, there will be no new persons affected by the change in the non-nursing home benefit.

12. Long-Range Fiscal Implications

There are no long-range fiscal implications.

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Signature – DHFS Secretary or Designee	Telephone Number	Date