

CR 83-136

CERTIFICATE

STATE OF WISCONSIN )  
 ) SS  
DEPARTMENT OF HEALTH AND SOCIAL SERVICES)

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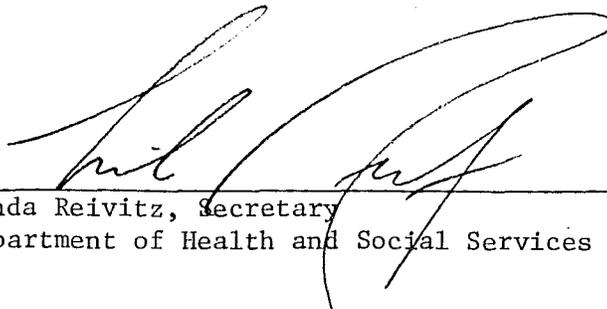
AUG 14 1984  
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Revisor of Statutes  
Bureau

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Linda Reivitz, Secretary of the Department of Health and Social Services and custodian of the official records of said Department, do hereby certify that the annexed amendments to rules relating to the uniform fee system were duly approved and adopted by this Department on August 14, 1984.

I further certify that this copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Department at the State Office Building, 1 W. Wilson Street, in the city of Madison, this 14th day of August, A.D. 1984.



Linda Reivitz, Secretary  
Department of Health and Social Services

SEAL:

RECEIVED

AUG 14 1984

ORDER OF THE  
DEPARTMENT OF HEALTH AND SOCIAL SERVICES  
REPEALING, AMENDING AND CREATING RULES

Revisor of Statutes  
Bureau

To repeal HSS 1.03 (11) (b) 5; to amend HSS 1.01 (1), (2) (g), and (4) (c), 1.02 (1), 1.03 (8), (10), (13), (13m), (14) (a), (15), (18) (c), 1.04 (1) (d) (intro), (2) (e), 1.05 (1) (b), (4), (7) and (13) (c) (intro); to repeal and recreate HSS 1.02 (6), 1.03 (11) (b) 4, (12) and 1.04 (1) (d) 7 Note; and to create HSS 1.03 (18) (title) and 1.04 (2) (f), relating to the uniform fee system established under ss. 46.03 (18) and 46.10, Stats.

Analysis Prepared by the Department of Health and Social Services

These are amendments to the Department's rules for charging fees for services. The rules apply to the Department and to county social service, human service, developmental disabilities (51.437) and unified services (51.42) agencies, and cover purchased as well as provided services.

The amendments:

1. Implement changes in the statutes brought about by Chapter 81, Laws of 1981, relating to certain adoption services;
2. Expand agencies' ability to charge fees for a) transportation related to sheltered employment and non-medical day services, b) court-ordered supervision provided to minor clients, and c) educational services provided or purchased by the division of vocational rehabilitation;
3. Permit agencies to charge minimum annual payments for Department-specified services before a client or responsible relative is entitled to meet remaining liability according to ability-to-pay;
4. Establish new ability-to-pay guidelines to replace the Bureau of Labor Statistics' lower income budget which has been discontinued, to permit use of assets and to gain greater consistency with AFDC standards on work-related expenses. New income and asset guidelines may not be more stringent than standards for medically needy persons in the MA Program;
5. Permit greater flexibility in setting full-cost rates and delegating collection authority; and
6. Make various corrections in cross-references, form numbers, addresses and grammar.

Pursuant to the authority vested in the Department of Health and Social Services by ss. 46.03 (18), 46.10 and 227.014 (2), Stats., the Department of Health and Social Services hereby repeals, amends and creates rules interpreting ss. 46.03 (18), 46.10, 48.837 (7) and 48.839 (1), Stats., as follows:

SECTION 1. HSS 1.01 (1) is amended to read:

HSS 1.01 PURPOSE, DEFINITIONS, EXEMPTED SERVICES. (1) STATEMENT OF INTENT. ~~These rules~~ This chapter, implementing ss. 46.03 (18), 46.10, 48.837 (7), 48.839 (1) and 51.30 (4) (b) 2., Stats., ~~standardize~~ standardizes on a statewide basis the determination of liability and ability to pay, and otherwise ~~regulate~~ regulates billing and collection activities for care and services provided or purchased by the department, a county department of social services, or a board created under s. 51.42, 51.437, or 46.23, Stats.

SECTION 2. HSS 1.01 (2) (g) is amended to read:

HSS 1.01 (2) (g) "Full financial information" means ~~such~~ information about a family's income, expenses, ~~liquid~~ assets, and insurance coverage ~~as that~~ is necessarily and reasonably requested for the purpose of determining ability-to-pay and for billing all applicable insurance.

SECTION 3. HSS 1.01 (4) (c) is amended to read:

HSS 1.01 (4) (c) Exemptions established by the department, pursuant to s. 46.03 (18) (a), Stats.:

1. Services offered, defined and funded under the state plan for Title XX of the Social Security Act, the social services block grant, which are specifically exempted from fee charging in the plan.
2. Probation and parole services, court-ordered supervision and other supervision services provided to adults.
3. Purchases of education services by the ~~divisions~~ division of corrections ~~and vocational-rehabilitation~~.
4. Sheltered employment, work activity, and adult non-medical day services programs for the handicapped, except transportation related to these services.
5. Non-medical initial diagnosis and evaluation services.
6. Family planning services.
7. Advocacy.

SECTION 4. HSS 1.02 (1) is amended to read:

HSS 1.02 LIABILITY FOR PAYING FEES. (1) RESPONSIBLE PARTIES. Whenever a client receives a service which is subject to these rules this chapter, the client, the spouse of a married client, and the parents of a minor client, and any other persons specified by statute as having liability payable according to ss. 46.03 (18), 46.10, 48.837 (7) and 48.839 (1), Stats., shall be responsible for paying for the service in the manner set forth in these rules this chapter. ~~These persons shall hereinafter be referred to as "responsible parties." Their legal obligation for the service received shall hereinafter be referred to as "liability."~~

Note: Chapter 81, Laws of 1981, added proposed adoptive parents (s. 48.837 (7) Stats.) and guardians of foreign children (s. 48.839 (1), Stats.) to those liable to pay for services that clients receive which are subject to this chapter.

SECTION 5. HSS 1.02 (6) is repealed and recreated to read:

HSS 1.02 (6) DISCHARGE OF LIABILITY OTHER THAN BY MEANS OF FULL PAYMENT. Except where statutes require payment of full liability, the liability of responsible parties remaining after recovery of benefits from all applicable insurance shall be considered discharged if responsible parties provide department or agency staff who have billing responsibility with full financial information and pay according to the following provisions:

(a) For adult inpatient care and services, when liability remaining exceeds \$1,000 or discharge of liability at the maximum monthly payment rate would exceed 5 years, responsible parties may enter into an agreement with the appropriate payment approval authority to pay a substantial portion of the liability outstanding as a lump sum.

(b) For adoption investigations and non-residential services specified in s. 48.837, Stats., a responsible party shall pay the lesser of full liability or 24 times the monthly payment amount as calculated according to s. HSS 1.03 (12) or (13).

(c) For care and services in non-medical facilities, clients shall pay the lesser of full liability each month or the monthly payment rate calculated according to s. HSS 1.03 (2) to (6) for each month the client is a resident of the facility. Other responsible parties shall pay according to the provisions of par. (d).

(d) For all other care and services, the liability of responsible parties may be discharged by less than full payment if they pay the lesser of liability remaining after crediting third party payments each month or the monthly payment rate as calculated under s. HSS 1.03 (12) or (13) and adjusted, as appropriate, under s. HSS 1.03 (14). When inpatient clients are minors who receive medical assistance, parents shall be billed before the medical assistance program is billed, and medical assistance claims shall be reduced by the amount of parental payments.

(e) The department may set annual minimum payment amounts for services billable under par. (d). An annual minimum payment may not exceed \$1,000 unless there is a specific statutory mandate for a higher amount. An annual minimum payment shall be applied to the client's uninsured liability. Any uninsured liability beyond the annual minimum payment shall be subject to the provisions of par. (d). For medical services, the department may credit a family payment for an annual minimum payment up to the amount the family pays for medical insurance in a year if the insurance pays at least the amount of the credit. Where the statutes set other minimum amounts, bond amounts, deductibles or copayments, those provisions supersede this paragraph.

SECTION 6. HSS 1.03 (8) is amended to read:

HSS 1.03 (8) REFUSAL TO PROVIDE FULL FINANCIAL INFORMATION. A responsible party who is informed of his or her rights and knowingly refuses to provide full financial information and authorizations for billing all applicable insurance shall not be eligible under ~~section s.~~ HSS 1.02 (8) (6) to discharge liability other than by means of full payment.

SECTION 7. HSS 1.03 (10) is amended to read:

HSS 1.03 (10) FINANCIAL INFORMATION FORM (~~Application-for-Ability-to-Pay Provisions~~). (a) Except as otherwise provided in ~~these rules~~ this chapter, the Financial Information Form (DHSS DMS 130) is mandatory when a responsible party chooses to be considered for ability to pay provisions.

Note: Form DHSS DMS 130 may be ordered from:

Department of Health and Social Services  
Forms Center Room-B354  
~~1-West-Wilson-Street~~ P.O. Box 7850  
Madison, Wisconsin ~~53702~~ 53707.

(b) County agencies may use their own forms in place of DHSS DMS 130 subject to the prior approval of the department. Any substitute ~~form(s)~~ form must be capable of fulfilling the same provisions as the current DHSS DMS 130.

SECTION 8. HSS 1.03 (11) (b) 4. is repealed and recreated to read:

HSS 1.03 (11) (b) 4. For services other than care to minors in state institutions, the department may permit a payment approval authority to add an amount based on the value of assets to monthly income. This amount may not exceed 1/6 of the assets that would be considered excess assets for the purpose of determining eligibility for the medical assistance program.

SECTION 9. HSS 1.03 (11) (b) 5. is repealed.

SECTION 10. HSS 1.03 (12) is repealed and recreated to read:

HSS 1.03 (12) MAXIMUM MONTHLY PAYMENT. A family providing full financial information shall be billed at a monthly rate that does not exceed the maximum amount computed by means of the following formulas:

(a) Long-term support for adults. For long-term support for adults in the department's community options program and similar programs, an amount not to exceed the monthly income computed according to sub. (11) less the following:

1. Estimated income taxes, social security or federal retirement obligations; and
2. An amount determined annually by the department which is no less than current income limits for medically needy persons in the Wisconsin medical assistance program.

(b) Child day care. For child day care, the monthly payment when income computed under sub. (11) is less than 50% of the state median income as defined by the department shall be zero. For income at 50% of the state median income, the maximum payment shall be \$5.00 per month. For income at 60% of the state median income, the payment shall be \$30.00 per month. The maximum payment for income at 100% of the state median income shall be \$266 per month. The department shall annually publish a schedule which prorates the day care payments for income levels for each one percent increase in income from 50% to 100% of the state median income. Parental payment limits in (18) (a) do not apply to this paragraph.

(c) Other services for children. For other services to children, the maximum monthly payment for a parent shall be computed as follows:

- 1.a. Subtract the appropriate minimum family budget in Table 1.03 (12) from the family's monthly income computed under sub. (11).

Table 1.03 (12)  
MONTHLY MINIMUM FAMILY BUDGET

Persons Living in Family	CY 1984 Allowance	CY 1985 Allowance
1	\$ 728	\$ 758
2	952	991
3	1175	1222
4	1399	1455
5	1624	1689
6	1847	1921
7	2029	2110
8	2168	2255
9	2266	2357
10+	2364	2459

b. For years after calendar year 1985, the department shall update the allowances in Table 1.03 (12) by the same percentage used to update family budgets in the aid to families with dependent children program.

2. If remaining income is:

- a. Less than \$1.00, the maximum monthly payment is zero;
- b. At least \$1.00 but less than \$543, the maximum monthly payment is 28% of the income in excess of \$1.00;
- c. At least \$543, the maximum monthly payment is \$152 plus 7% of the income in excess of \$543.

3. The department shall publish a schedule annually for agencies to compute maximum monthly payment rates under this paragraph.

Note: \$152 is assumed to represent a basic allowance to provide support for a child living in a family, and 7% of gross income above support is assumed to represent added support above basic needs that a family with higher income would provide for a child in the home.

(d) All other services. For all other services, the department shall publish maximum monthly payment schedules or formulas that require payments no higher than those computed under par. (a).

SECTION 11. HSS 1.03 (13), (13m), (14) (a) and (15) are amended to read:

HSS 1.03 (13) MINIMUM PAYMENT. The appropriate payment approval authority may establish a minimum payment rate up to \$25.00 per month or 3% of gross income across the board for all families receiving a fee-chargeable service whose maximum monthly payment as calculated according to sub. (12) is less than the minimum rate. Where ~~such~~ minimum rates are used, all families shall be expected to pay the applicable minimum rate except where liability is waived according to s. HSS 1.02 (9) (7) or where a minimum payment exceeds the available income of the responsible ~~party(ies)~~ party or parties. Minimum charges under this section may also be set on a per unit basis (e.g. per hour, per day, etc.) provided ~~such minimum~~ the charges do not accumulate to exceed \$25.00 per month or 3% of monthly income.

(13m) SPECIAL PAYMENT SCHEDULES. The ~~secretary~~ department may establish special payment schedules, to be used in place of schedules determined according to s. HSS 1.03 (12) or (13), for designated providers and types of services on a pilot basis for periods not to exceed 3 years. Special payment schedules shall be directed toward goals which include, but are not limited to, increasing revenue to expand or maintain service levels, improving administration of the fee system and assessing the impact of different fee approaches on service. Beyond the pilot period, the payment schedule for the designated type of service shall be established according to s. HSS 1.03 (12) or (13) or any other applicable provision of law. Special payment schedules shall incorporate standards

for income and may incorporate standards for assets. These standards may not be more stringent than the income and assets provisions of the Wisconsin medical assistance program described in ss. HSS 103.02 and HSS 103.03, ~~Wis. Adm. Code.~~ However, where income is less than the limit for medical assistance eligibility, the ~~secretary~~ department may approve schedules where assets are not considered and payments for a month of service do not exceed 3% of the family's gross monthly income. ~~Special payment schedules may disregard the parental payment limits set according to s. HSS 1.03 (18) (a). This paragraph shall not apply to residential care provided at the Wisconsin centers for the developmentally disabled.~~

(14) (a) In cases where family members who contribute to the family income are not responsible parties for the liability being charged to the family, the maximum monthly payment rate shall not exceed the sum of the unearned and one-half the earned income of the responsible ~~party(ies); party or parties,~~ less a percentage of earnings an amount equal to that used by the Wisconsin AFDC program for work related expenses.

(15) EXTENDED PAYMENT PLANS. Agencies ~~must~~ may ~~have the capability to~~ work out an extended payment plan with any responsible party who indicates that payment at ~~their~~ the monthly payment rate would place a burden on ~~their~~ the responsible party's family. Such ~~This~~ payment plans have plan has the effect of the responsible party paying a lesser monthly amount over a longer period of time but with the total expected amount to equal the full application of the monthly payment rate under s. HSS 1.02 (8) (6). Authority to approve extended payment plans may be placed at whatever staff level the payment approval authority determines is appropriate.

SECTION 12. HSS 1.03 (18) (title) is created to read:

HSS 1.03 (18) (title) EXCEPTIONS.

SECTION 13. HSS 1.03 (18) (c) is amended to read:

HSS 1.03 (18) (c) Pre-existing child support orders. When residential care is provided under ch. 48, Stats., and there is a support order under ch. 52 or 767, Stats., in existence before the ch. 48 disposition, the billing amount to parents for residential care shall not be less than the previously ordered amount attributable to the child client. This provision supersedes maximum billing limitations of ~~s. HSS 1.03~~ subs. (12), and (18) (a) (13) and (13m).

Note: Before October 1, 1984 this subsection included the following limits on the amount that parents were expected to pay each month for care or services provided or purchased for their minor children.

For outpatient psychotherapy purchased or provided by county agencies, the maximum billing rate to qualified parents for outpatient psychotherapy was \$4.00 per day per child client for such care from September 1, 1977

through December 31, 1979. For care from January 1, 1980 through June 30, 1980, the maximum rate for this service was \$120 per month per child client. From July 1, 1980 through June 30, 1983, the maximum rate was \$152 per month per child client. From July 1, 1983 through December 31, 1983, the maximum was \$183 per month per child client.

For all other services, the maximum billing rate for care from September 1, 1977 through June 30, 1980 was \$4.00 per day per child client; from July 1, 1980 through June 30, 1983, \$5.00 per day per child client; from July 1, 1983 through December 31, 1983, \$6.00 per day per child client. From January 1, 1981 through December 31, 1983, county departments of social services were permitted to convert the daily amounts for residential care to average monthly amounts.

SECTION 14. HSS 1.04 (1) (d) (intro.) is amended to read:

HSS 1.04 (1) (d) Calculating fees. (intro.) A division, county department of social services, board established under s. 51.42, 51.437, or 46.23, or a private firm (under contract to one of the-above) these, responsible for the calculation of the facility or service fees shall complete form CD-~~142~~ 143 for the calculation of ~~such~~ the unit rates. Budgeted costs shall be segregated among cost-centers based on groupings of programs which have significantly different costs. Since a single fee is acceptable for a facility, a single direct treatment cost-center may be used if the facility does not provide services of a disparate nature with associated wide discrepancies in cost. Multi-service facilities providing services outside the scope of the uniform fee system shall not include costs for those services in their calculations of fees. The following steps shall be completed in calculating the fee(s) for a facility:

SECTION 15. HSS 1.04 (1) (d) 7 Note is repealed and recreated to read:

Note: Form CD-143 may be ordered from:

Department of Health & Social Services  
Forms Center  
P.O. Box 7850  
Madison, Wisconsin 53707.

SECTION 16. HSS 1.04 (2) (e) is amended to read:

HSS 1.04 (2) (e) County departments of social services. In special circumstances with approval of the department, county departments of social services may use a fee of \$12 per hour for services delivered by professional staff and \$8 per hour for services provided by paraprofessionals instead of establishing fees under HSS-~~1-04~~ sub. (1). The department may adjust these rates to reflect changes in the Milwaukee consumer price index for all items, published by the U.S. department of labor. The base time for these adjustments shall be November 1978 at which time the index was 199.0.

SECTION 17. HSS 1.04 (2) (f) is created to read:

HSS 1.04 (2) (f) Other procedures. With the approval of the department, fee approval authorities may use other fee-setting procedures for designated services or groups of services. The procedures shall follow these guidelines:

1. Only costs associated with the service may be considered;
2. Those costs must be included in the department's allowable cost policy established under s. 46.036, Stats.;
3. The procedures may set more restrictive requirements for the costs to be considered; and
4. The procedures shall result in a fee per unit of service.

SECTION 18. HSS 1.05 (1) (b) is amended to read:

HSS 1.05 (1) (b) Formal delegation ~~approval~~ is required for care received in county hospitals under s. 51.09, Stats., on ~~and~~/or after January 1, 1975. Until ~~such-time-as~~ collections responsibility is ~~are~~ delegated for these services, the department's bureau of collections ~~will~~ shall continue to manage these accounts. Delegation of collections for county hospitals ~~will~~ may be granted to the program director of the appropriate 51.42 board upon submission of required form CD-~~143~~ 142 to the Secretary of the Department - Attention: Bureau of Collections. Where the board of trustees of the hospital is not the 51.42 board, application for delegated ~~collection~~ collections authority shall specify the role in the ~~collection~~ collections function and how any disposition of monies collected by the facility will be handled. When an application is received, a representative of the bureau of collections ~~will~~ shall visit the facility in question to determine ~~the adequacy-of-their~~ the facility's capability to operate in accord with ~~laws~~ statutes and rules relative to the collections function.

Note: Form CD-142 may be obtained from:

Department of Health & Social Services  
Bureau of Collections  
~~1-West-Wilson-Street~~ P.O. Box 7853  
Madison, Wisconsin 53702 53707

SECTION 19. HSS 1.05 (4) is amended to read:

HSS 1.05 (4) STATE BUREAU OF COLLECTIONS. Except where responsibility for collections is delegated under s. HSS 1.05 (1) and or (2), the bureau of collections of the department shall be responsible for the billing and collection function, unless otherwise specified by the secretary. The bureau of collections shall also provide collection services for individual delinquent, or otherwise referred, client accounts.

SECTION 20. HSS 1.05 (7) is amended to read:

HSS 1.05 (7) FIRST BILLINGS TO RESPONSIBLE PARTIES WHO HAVE AN ABILITY TO PAY OR WHO HAVE NOT PROVIDED FULL FINANCIAL INFORMATION. Where it is anticipated third-parties will pay less than the full liability, the first billing to responsible parties shall be sent during the calendar month following the month in which services were provided, except where an agreement to delay billing exists. If a responsible party has not provided full financial information and the payment approval authority determines that it is unlikely that the responsible party is able to pay full uninsured liability, the payment approval authority may set an estimated payment amount which shall be adjusted retroactively after the responsible party has provided full financial information. A cover letter explaining the liability and arrangements for making payment shall accompany the first billing statement to the responsible person(s) billed.

SECTION 21. HSS 1.05 (13) (c) (intro.) is amended to read:

HSS 1.05 (13) (c) Referral of accounts for collection. (intro.) Agencies shall refer accounts for collection when ~~they~~ the accounts are considered delinquent as defined in ~~s. HSS-1.05-(7)-[13]~~ par. (a) and when the agency's own collection unit has completed required follow-up procedures.

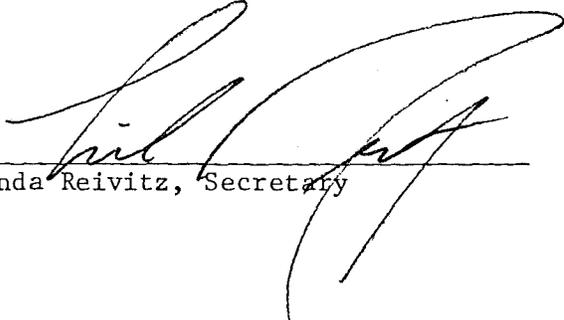
The repeal and rules contained in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, as provided in s. 227.026(1), Stats.

Department of Health & Social Services

Dated: 8-14-84

By:

SEAL:

  
Linda Reivitz, Secretary



**State of Wisconsin** \ DEPARTMENT OF HEALTH AND SOCIAL SERVICES  
1 West Wilson Street, Madison, Wisconsin 53702

**Anthony S. Earl**  
Governor

**Linda Reivitz**  
Secretary

Mailing Address:  
Post Office Box 7850  
Madison, WI 53707

August 14, 1984

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AUG 14 1984

Mr. Orlan Prestegard  
Revisor of Statutes  
411 West, State Capitol  
Madison, Wisconsin 53702

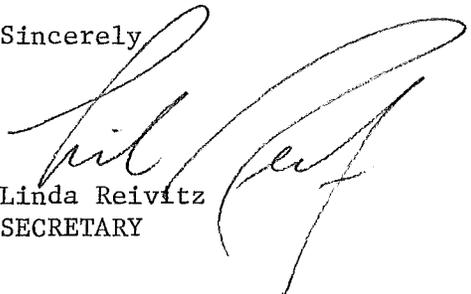
Revisor of Statutes  
Bureau

Dear Mr. Prestegard:

As provided in s. 227.023, Stats., there is hereby submitted a certified copy of HSS 1, administrative rules relating to the uniform fee system.

These rules are being submitted to the Secretary of State as required by s. 227.023, Stats.

Sincerely

  
Linda Reivitz  
SECRETARY

Enclosure