

1991 Senate Bill 76

Date of enactment: May 31, 1991
Date of publication: June 5, 1991

1991 Wisconsin Act 22 (Vetoed in Part)

AN ACT ~~to amend 46.277 (3) (b) 2, and to create 46.277 (2) (e), 49.45 (6x) and 49.45 (30) (c)~~ of the statutes, relating to services for medical assistance recipients, an essential access city hospital, providing payment for services in the Plymouth manor nursing home, providing payment for certain neonatal intensive care services, providing supplemental funding for rural hospitals, ~~requiring a report by the department of health and social services,~~ supplementing capital costs of certain intermediate care facilities for the mentally retarded, reimbursement for general relief medical costs, providing funding for services to individuals relocated from Michigan Shores nursing home, ~~required use of community support program reimbursement,~~ providing an exemption from rule-making procedures and making appropriations.

Vetoed
in Part

Vetoed
in Part

Vetoed
in Part

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

Vetoed
in Part

~~SECTION 1g. 46.277 (2) (e) of the statutes is created to read:~~

~~46.277 (2) (e). Authorize services under this section, if so requested by a county department participating in the program, for the number of eligible persons that corresponds to the number of nursing home beds in the county that are delicensed under sub. (3) (b) 1.~~

~~SECTION 1m. 46.277 (3) (b) 2 of the statutes is amended to read:~~

~~46.277 (3) (b) 2. Each county department participating in the program shall provide home or community-based care to persons eligible under this section, except that the number of persons who receive home or community-based care under this section may not exceed the number of nursing home beds that are delicensed as part of a plan submitted by the facility and approved by the department. The county department may request that the department authorize services under this section for the number of eligible persons that corresponds to the number of nursing home beds in the county that are delicensed under this subdivision.~~

SECTION 1r. 49.45 (6x) of the statutes is created to read:

49.45 (6x) FUNDING FOR ESSENTIAL ACCESS CITY HOSPITAL. (a) Notwithstanding sub. (3) (e), from the appropriation under s. 20.435 (1) (b) the department shall allocate up to \$685,000 in fiscal year 1990-91 and from the appropriation under s. 20.435 (1) (o) the department shall allocate up to \$996,000 in fiscal year 1990-91, to provide funds to an essential access city

hospital, except that the department may not allocate funds to an essential access city hospital:

1. To the extent that the allocation would exceed any limitation under 42 USC 1396b (i) (3); and

2. To the extent that the allocation would be inconsistent with the provisions under 42 USC 1396r-4.

(b) The department shall develop procedures for solicitation and review of requests for funds and a method to distribute the allocation under par. (a) to an individual hospital that shall include establishment of criteria for the designation as an essential access city hospital.

(c) Except as provided in par. (d), the department shall distribute the allocation under par. (a) under the distribution method that is developed under par. (b).

(d) If the federal department of health and human services approves for state expenditure in state fiscal year 1990-91 amounts under s. 20.435 (1) (o) that result in a lesser allocation amount than that allocated under this subsection or disallows use of the allocation of federal medicaid funds under par. (a), the department of health and social services shall reduce the allocations under this subsection.

(e) The department need not promulgate as rules under ch. 227 the procedures, method of distribution and criteria required for distribution under this subsection.

~~SECTION 1t. 49.45 (30) (c) of the statutes is created to read:~~

~~49.45 (30) (c). The amount of the allowable charges for services under ss. 49.46 (2) (b) 6, L. and 49.47 (6) (a) 1 that is provided by the federal government shall be used for the expansion of services under ss. 49.46 (2) (b) 6, L. and 49.47 (6) (a) 1 by the provider of the~~

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~~services under par. (b) and may not be used to sup-
plant or replace county, state or other federal funding
for community support program services.~~

SECTION 2. Nonstatutory provisions; health and social services.

(1) **NEONATAL INTENSIVE CARE PAYMENT.** The department of health and social services shall allocate in state fiscal year 1990-91 \$286,200 from the appropriation under section 20.435 (1) (b) of the statutes and \$432,800 from the appropriation under section 20.435 (1) (c) of the statutes to provide payment for neonatal intensive care services provided by a hospital in a 1st class city to medical assistance recipients who are enrollees of a health maintenance organization. The department of health and social services shall make the payment authorized under this subsection so that all the amounts authorized are paid to the hospital providing the neonatal intensive care services.

Vetoed
in Part

(2) **PAYMENT FOR SERVICES IN A FACILITY IN MILWAUKEE COUNTY.** (a) In this subsection, "state share" means that portion of the medical assistance costs payable to a facility under section 49.45 (6m) of the statutes for the provision of authorized services that is not reimbursed by federal funds, unless no federal financial participation is available for these services. If no federal financial participation is available for a service which is payable under section 49.45 (6m) of the statutes, "state share" means that portion of the costs which would be the state share if federal financial participation were available.

(b) Notwithstanding sections 20.435 (1) (b) and 49.45 (2) (a) 12 of the statutes, the department of health and social services shall, from the appropriation under section 20.435 (1) (b) of the statutes and under the payment formula specified under section 49.45 (6m) of the statutes, pay for services which the licensee of the Plymouth manor nursing home in Milwaukee county provides to recipients of medical assistance who are residents of that facility, an amount that is equal to the state share. Payment that is authorized under this paragraph shall be for the period that begins on April 16, 1991, and ends on September 1, 1991, or on the date that the department of health and social services publishes results of an inspection survey that determines that the Plymouth manor nursing home is eligible for federal financial participation as a provider of care under the medical assistance program, whichever is earlier, except that no payment may be made for services provided unless the department of health and social services has first authorized the payment. If during the period of payment authorized under this paragraph the department of health and social services determines that the standard of care provided by the facility under this subsection poses a threat to the lives, health or safety of the facility's residents, the department of health and social services shall cease all payments so authorized.

(c) The department of health and social services may authorize no payment under paragraph (b) unless

the licensee of Plymouth manor nursing home does all of the following:

1. Contracts with a consultant to study and make recommendations regarding operation of Plymouth manor nursing home.

2. Expends for operation of Plymouth manor nursing home, during the period that the funding under paragraph (b) is provided, at least an amount that is equal to what federal financial participation for the same period would have been had Plymouth manor nursing home been eligible to receive federal financial participation.

3. Expends for operation of Plymouth manor nursing home, during the period that the funding under paragraph (b) is provided, all funds available to the licensee.

4. Permits the department of health and social services to place in Plymouth manor nursing home a monitor with the powers described in section 50.05 (3) of the statutes.

5. Provides cost reports for the period during which Plymouth manor nursing home is decertified by the department of health and social services from participation for the provision of care under the medical assistance program. The auditors of the department of health and social services shall verify these cost reports as specified under section 49.45 (3) (f) of the statutes.

~~(3) **HOSPITALS WITH SEVERE FINANCIAL HARDSHIP REPORT.** By September 1, 1991, the department of health and social services shall do all of the following:~~

Vetoed
in Part

~~(a) Identify those hospitals in this state that are experiencing severe financial hardship.~~

~~(b) Identify and analyze the reasons for the severe financial hardship that is experienced by each hospital identified under paragraph (a), including an analysis of the hospital's ratio of private-pay patients to patients whose care is reimbursed under 42 USC 1395 to 1395cc or under section 49.46 or 49.47 of the statutes.~~

~~(c) Submit a report on the information obtained under paragraphs (a) and (b), including recommendations for actions that the department can take or that can be proposed for legislation to address the hardship and its reasons, to the joint committee on finance and to the chief clerk of each house of the legislature for distribution to the appropriate standing committees in the manner provided under section 13.172 (3) of the statutes.~~

~~(4) **HEALTH CARE PROVIDER SHORTAGES REPORT.** By September 1, 1991, the department of health and social services shall do all of the following:~~

~~(a) Identify those areas of this state that are experiencing serious shortages of health care providers.~~

~~(b) Identify and analyze the reasons for the serious shortages that are identified under paragraph (a).~~

~~(c) Submit a report on the information obtained under paragraphs (a) and (b), including recommenda-~~

Vetoed
in Part

ions for actions that the department can take or that can be proposed for legislation to address the shortages and their reasons, to the joint committee on finance and to the chief clerk of each house of the legislature for distribution to the appropriate standing committees in the manner provided under section 13.172 (3) of the statutes.

(5) SUPPLEMENTAL FUNDING FOR RURAL HOSPITALS.

(a) Notwithstanding section 49.45 (3) (e) of the statutes, from the appropriation under section 20.435 (1) (b) of the statutes the department of health and social services shall allocate up to \$898,100 in fiscal year 1991-92 and up to \$893,300 in fiscal year 1992-93 and from the appropriation under section 20.435 (1) (o) of the statutes the department of health and social services shall allocate up to \$1,357,900 in fiscal year 1991-92 and up to \$1,378,100 in fiscal year 1992-93, to provide supplemental funds to rural hospitals that, as determined by the department of health and social services, have high utilization of inpatient services by patients whose care is provided from governmental sources, including part A of medicare under 42 USC 1395c to 1395f, medical assistance under section 49.46 (2) (b) 6, e, or 49.47 (6) (a) 1 of the statutes or under section 49.02 (5) of the statutes.

Vetoed
in Part

(b) The supplemental funding under paragraph (a) shall be based on the utilization, by recipients of medical assistance, of the total inpatient days of a rural hospital in relation to that utilization in other rural hospitals. The supplemental funding may not exceed the rural hospital's charges to provide services, care or commodities under 42 USC 1396b (f) 3.

Vetoed
in Part

(6) CAPITAL COSTS SUPPLEMENT. Notwithstanding section 49.45 (6m) (ag), (am) 6 and (ar) 6 of the statutes, the department of health and social services shall allocate in state fiscal year 1990-91 \$94,700 from the appropriation under section 20.435 (1) (b) of the statutes and \$143,300 from the appropriation under section 20.435 (1) (o) of the statutes to provide supplementary payments for allowable medical assistance capital costs for projects completed as of January 1, 1991, for free-standing intermediate care facilities for the mentally retarded, that are not leased.

(7) GENERAL RELIEF MEDICAL REIMBURSEMENT. Notwithstanding section 49.035 (1) and (4) of the statutes, the department of health and social services may use the funds appropriated under SECTION 3 (1m) of this act only for the reimbursement of general relief medical costs.

Vetoed
in Part

(8) (a) The department of health and social services must create a plan for incentives for the delivery, access and use of preventive services and primary care for inner city residents of a 1st class city rural medicare recipients which includes but is not limited to the following:

1. Increasing financial resources devoted to preventive services and primary care for inner city residents rural medicare recipients.

Vetoed
in Part

2. Recognizing through the payment method the critical importance of nursing, social work, health education and case management/case coordination.

3. Create mechanisms for inner city residents to influence and control the policies and practices of provider organizations.

4. Decrease fragmentation of services by rewarding providers that integrate a comprehensive set of services.

(b) This plan should be completed by January 1992. This plan should be submitted to both houses of the legislature.

SECTION 3. Appropriation changes; health and social services.

(1) MEDICAL ASSISTANCE DEFICIT ADJUSTMENT. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of health and social services under section 20.435 (1) (b) of the statutes, as affected by the acts of 1989 and 1991, the dollar amount is increased by \$29,347,100 for fiscal year 1990-91 to provide sufficient funding for the provision of services, as required under sections 49.46 (2) and 49.47 (6) of the statutes, to recipients of medical assistance; to provide funding, under section 49.45 (6x) of the statutes, as created by this act, for an essential access city hospital; to provide funding, under SECTION 2 (1) of this act, for certain neonatal intensive care services; and to provide supplementary funding, under SECTION 2 (6) of this act, for capital costs incurred as of January 1, 1991, for free-standing intermediate care facilities for the mentally retarded, that are not leased.

(1m) GENERAL RELIEF MEDICAL REIMBURSEMENT. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of health and social services under section 20.435 (7) (eb) of the statutes, as affected by the acts of 1989 and 1991, the dollar amount is increased by \$2,046,600 for fiscal year 1990-91 to increase the funding for reimbursement for general relief medical costs incurred by counties.

(2) SUPPLEMENTAL FUNDING FOR RURAL HOSPITALS. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of health and social services under section 20.435 (1) (b) of the statutes, as affected by the acts of 1991, the dollar amount is increased by \$898,100 for fiscal year 1991-92 and the dollar amount is increased by \$893,300 for fiscal year 1992-93 to provide supplemental funding to rural hospitals under SECTION 2 (5) of this act.

(3) COMMUNITY SERVICES; AIDS AND LOCAL ASSISTANCE. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of health and social services under section 20.435 (7) (bc) of the statutes, as affected by the acts of 1991, the dollar amount is increased by \$135,000 for fiscal year 1990-91 to supplement the grants for community programs under section 46.48 of the statutes to counties providing community services to individuals discharged from Michigan Shores nursing home in Manitowoc county under section 46.48 (23) of the statutes.

Vetoed
in Part

SECTION 4. **Effective dates.** This act takes effect on the day after publication, except as follows:

take effect on the 2nd day after publication of 1991 Wisconsin Act (Assembly Bill 91).

Vetoed in Part (1) ~~The treatment of section 46.48 (23) of the statutes and SECTIONS 2 (5) and 3 (2) and (3) of this act~~
