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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 HSS 1.02 (9) or where a minimum payment exceeds the available income of the responsible party (ies). Minimum charges under this section may also be set on a per unit basis (e.g. per hour, per day, etc.) provided such minimum charges do not accumulate to exceed $25.00 per month.

(14) ADJUSTMENTS. The maximum monthly payment rate calculated under s. HSS 1.03 (12) or (13) is adjustable in the following situations:

(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 responsible party (s), less a percentage of earnings equal to that used by the Wisconsin AFDC program for work related expenses.

(b) When payment at the maximum monthly payment rate, as calculated in s. HSS 1.03 (12) or (13), would create a documentable hardship on the family, (such as the forced sale of the family residence or cessation of an education program), a lower maximum monthly payment rate may be authorized by the appropriate payment approval authority under the following provisions:

1. Hardship adjustments are normally restricted to situations where services extend more than one year, and sufficient relief is not afforded to the family through an extended or deferred payment plan.

2. Each hardship adjustment shall be documented by additional family financial information. Such documentation shall become part of the client's collection file as provided in HSS 1.06.

3. Responsible parties shall be informed in writing of approval or denial with approval taking the form of a written agreement.

4. Hardship adjustments shall be reviewed annually and, if necessary, renegotiated.

(15) EXTENDED PAYMENT PLANS. Agencies must have the capability to work out an extended payment plan with any responsible party who indicates that payment at their monthly payment rate would place a burden on their family. Such payment plans have 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 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.

(16) SHORTCUTS TO DOCUMENT NO ABILITY TO PAY FOR SERVICES NOT COVERED BY THIRD-PARTY PAYERS. (a) Family income information in form DHSS 130 is not required where no family member receives earned income and the family is supported in full or in part by income maintenance benefits.

(b) The financial information form (DHSS 130) is not required for fee-chargeable services when zero ability to pay can be documented. The following families making application for services are automatically con-

sidered to have no ability to pay when the following financial information is documented on other forms required by the department.

1. Recipients of SSI.

2. When the family has no earned income and are recipients of AFDC, Medical Assistance, Food Stamps or General Relief.

3. Group-eligibles under the state Title XX plan who request services.

4. Families whose income is lower than the point at which payment begins according to the maximum monthly payment rate schedule for families of similar size.

(17) RELATIONSHIP TO EXTENT OF SERVICES. When full financial information is provided, the monthly payment rate established according to sub. (12) or (13) and adjusted according to sub. (14) (a) is the total ceiling amount that the family may be billed a month regardless of the number of family members receiving services, the number of agencies providing services, or the magnitude or extent of services received.

(18) (a) Parental payment limits set according to HSS 1.03 (21) shall be applied to the billings to parents for each child who receives care or services. When parents of a client are divorced or separated, the total billed to both parents for the care of a child may not exceed the one billing limit used for the care or service received by the child. When a minor child and an adult from one family receive services, the parental payment limit shall not apply to billings for services to the adult. Parental payment limits shall be applied to care and services as follows:

1. For outpatient psychotherapy normally covered by health insurance and purchased or provided by county agencies, parents who provide full insurance information and necessary authorizations for billing all applicable insurance shall not be billed a total amount per child per month greater than the monthly parental payment limit per month for each child who receives service.

2. For other services normally covered by health insurance, parents who provide full insurance information and necessary authorizations for billing all applicable insurance shall not be billed more than the daily parental payment limit per day for each child who receives service.

3. For residential care not normally covered by health insurance, the following applies:

a. When a child is in care for less than 20 days in a calendar month, the parents shall not be billed more than the daily parental payment limit per day for that child's care.

b. When a child is in care for more than 20 days in a calendar month, the payment approval authority shall adopt an agency policy for parental payment limits according to either the daily or monthly limit. The limit chosen shall apply uniformly to all parents.

c. When the daily limit is used, agencies may prorate daily billings for all families served by the agency according to their ability to pay. Under this prorating approach, the billing shall be the lesser of the daily limit

or the family's monthly payment amount determined by HSS 1.03 (12) or (13) multiplied by 12 and divided by 365.

Note: Example. If the maximum monthly payment for the family is $80, the daily rate would be $2.63.

($80/month x 12 months/year ÷ 365 days/year = $2.63/day)

d. As an alternative to c., when the daily limit is used, agencies may bill all parents the daily limit for each day of care up to their monthly payment rate determined according to sub. (12) or (13).

4. For all other care and services, the parents shall not be billed more than the daily parental payment limit.

Note: 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 such 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 December 31, 1980, the maximum rate was $152 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 December 31, 1980 the maximum rate for all other services was $5.00 per day per child client.

(b) The appropriate payment approval authority may bill a responsible party a minimum payment for therapeutic reasons for a fee chargeable service. The therapeutic charge may be a per month amount or a per visit or per unit of service charge and may result in a higher amount than the maximum monthly payment rate. A charge for "no-show" is considered a therapeutic charge. Therapeutic charges may not exceed the maximum monthly payment by more than $25.00 per month. Therapeutic charges and minimum charge (s) established under sub. (13) may not total more than $25.00 per family nor may a therapeutic charge exceed the responsible party's available income.

(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 supercedes maximum billing limitations of s. HSS 1.03 (12) and (18) (a).

(19) REDETERMINATION OF MAXIMUM MONTHLY PAYMENT RATE. The maximum monthly payment rate established upon entry into the system shall be reviewed at least once per year. A redetermination shall be made at any time during the treatment or payment period that a significant change occurs in available income. The redetermined maximum monthly payment rate may be applied retroactively or prospectively.

(20) PAYMENT PERIOD. Monthly billing to responsible parties with ability to pay shall continue until:

(a) Liability has been met or

(b) A waiver of remaining liability is obtained or

(c) Client records for inpatient mental health services are placed in inactive status as specified under s. HSS 1.06 (3) (d) of these rules.

(21) PARENTAL PAYMENT LIMIT. The parental payment limits shall be determined as follows:

(a) The daily parental payment limit shall be $5.00 subject to adjustment by the department according to par. (b).

(b) The daily parental payment limit shall be adjusted upward or downward in direct proportion to the Consumer Price Index. The adjustment shall be rounded downward to the nearest whole dollar. The base date for computing the adjustments shall be date of the last published Consumer Price Index for Milwaukee in 1979. The base dollar amount shall be $5.00 per day. This adjustment shall be computed at the end of each calendar year and shall be effective the following July.

(c) The monthly parental payment limit shall be the daily limit multiplied by 365 with the product divided by 12.

History: Cr. Register, August, 1978, No. 272, eff. 9-1-78; am. (2) to (6), renum. (7) to (14) to be (8), (11), (12), (14), (17) to (20) respectively and am. (8), (11), (14), (17), (18) (b) and (20), r. and recr. (18) (a), cr. (7), (9), (10), (13), (15) and (16), Register, November, 1979, No. 287, eff. 1-1-80; emerg. am. (18) (a), eff. 7-1-80; am. (18) (a), Register, October, 1980, No. 298, eff. 11-1-80; r. and recr. (18) (a), cr. (18) (c) and (21), Register, December, 1980, No. 300, eff. 1-1-81.

HSS 1.04 Fee establishment, calculation and approval. (1) APPLICABILITY. With respect to client services for which responsible parties incur liability and may be billed, each facility operated by the department, a county department of social services, or a board established under s. 51.42, 51.437, or 46.23, Stats.; or an agency providing services pursuant to a contract in excess of $10,000 per year with the department, a county department of public welfare or social services, or a board established under s. 51.42, 51.437, or 46.23, Stats., shall establish a fee or set of fees as follows:

(a) *Facility fee or service fee.* The division, county department of social services, board established under s. 51.42, 51.437, or 46.23, Stats., or private firm in charge of the facility shall establish a uniform facility fee, except that if the facility provides 2 or more services of a disparate nature with associated wide differences in per-service cost, separate per-service fees shall be established.

(b) *Fee calculation.* Fees shall be determined in advance for each calendar year, except that divisions may determine fees in advance for each fiscal year. For purchased services, the contract rate and billable units to the purchaser should be identical to the fee and billable units to the responsible party (s), wherever possible. Fees shall be determined by dividing either the number of patient days projected by the year in question, or, if the facility or service provides less than 24 hour care, the number of hours of billable client service projected for the year in question, into allowable anticipated facility or service-related expenditures for the year in question. For purchased services not easily converted to time units and where the contract or agreement specifies purchase units other than time, fees shall be set using the contract unit.

(c) *Expenditures.* Expenditures mean ordinary and necessary budgeted non-capital expenses and depreciation on capital equipment. Cost standards that govern purchase of care and services under s. 46.036, Stats., shall apply to expenditures for calculating the fee. Outlays associated with non-client-specific community service and with client services exempted under s. HSS 1.01 (4) plus a pro-rata share of depreciation and associated administration or indirect costs are excluded. Where the facility establishes separate per-service fees, expenditures mean ordi-