



State of Wisconsin
2021 - 2022 LEGISLATURE

LRBs0057/1
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**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 243**

April 13, 2021 - Offered by Representatives ANDERSON, BALDEH, BILLINGS, BOWEN, BROSTOFF, CABRERA, CONLEY, CONSIDINE, DOYLE, DRAKE, EMERSON, GOYKE, HAYWOOD, HEBL, HESSELBEIN, HINTZ, HONG, MCGUIRE, B. MEYERS, MILROY, MOORE OMOKUNDE, L. MYERS, NEUBAUER, OHNSTAD, ORTIZ-VELEZ, POPE, RIEMER, S. RODRIGUEZ, SHANKLAND, SHELTON, SINICKI, SNODGRASS, SPREITZER, STUBBS, SUBECK, VINING and VRUWINK.

1 **AN ACT to repeal** 49.45 (2p) and 49.45 (23); **to amend** 20.435 (4) (jw), 49.45 (23b)
2 (title), 49.45 (23b) (b), 49.45 (23b) (c), 49.45 (23b) (e), 49.471 (4) (a) 4. b. and
3 49.686 (3) (d); and **to create** 20.370 (6) (ca), 49.471 (1) (cr), 49.471 (4) (a) 8.,
4 49.471 (4g) and 281.73 of the statutes; **relating to:** medical assistance
5 eligibility, well testing, lead service line replacement, nonpoint source water
6 pollution abatement, well compensation grants, granting rule-making
7 authority, and making an appropriation.

Analysis by the Legislative Reference Bureau

Eligibility for medical assistance

BadgerCare Plus and BadgerCare Plus Core are programs under the state's Medical Assistance program, which provides health services to individuals who have limited financial resources. The federal Patient Protection and Affordable Care Act allows a state to receive an enhanced federal medical assistance percentage payment for providing benefits to certain individuals through a state's Medical Assistance program. This bill changes the family income eligibility level to up to 133 percent of the federal poverty line for parents and caretaker relatives under BadgerCare Plus

and for childless adults currently covered under BadgerCare Plus Core and who are incorporated into BadgerCare Plus in this bill. The bill requires the Department of Health Services to comply with all federal requirements and to request any amendment to the state Medical Assistance plan, waiver of Medicaid law, or other federal approval necessary to qualify for the highest available enhanced federal medical assistance percentage for childless adults under the BadgerCare Plus program.

Under current law, certain parents and caretaker relatives with incomes of not more than 100 percent of the federal poverty line, before a 5 percent income disregard is applied, are eligible for BadgerCare Plus benefits. Under current law, childless adults who 1) are under age 65; 2) have family incomes that do not exceed 100 percent of the federal poverty line, before the 5 percent income disregard is applied; and 3) are not otherwise eligible for Medical Assistance, including BadgerCare Plus, are eligible for benefits under BadgerCare Plus Core. The bill eliminates the childless adults demonstration project, known as BadgerCare Plus Core, as a separate program.

Lead service line replacement

Under current law, the Department of Administration and the Department of Natural Resources administer the Safe Drinking Water Loan Program (SDWLP), which provides low-interest loans and grants in the form of principal forgiveness to municipalities for drinking water infrastructure projects to help them comply with federal drinking water standards. DNR establishes a funding list for SDWLP projects, and DOA allocates funding for those projects. The current program does not provide financial assistance to private users of public water systems.

The bill appropriates \$80,000,000 to DOA in fiscal year 2021-22 to provide principal forgiveness to municipalities to cover up to 50 percent of the costs of lead service line replacement on private property or principal forgiveness to municipalities to provide grants to private users of public water systems to cover up to 50 percent of the costs of lead service line replacement on private property.

Urban nonpoint source program

Under current law, DNR administers a program to provide financial assistance for projects that manage urban storm water and runoff. The bill appropriates \$24,000,000 to DNR for this program.

Rural nonpoint source program

Under current law, DNR administers a program to provide financial assistance for projects that control pollution that comes from diffuse sources, rather than from a single concentrated discharge of pollution, in areas that qualify as high priority due to water quality problems. The bill appropriates \$13,000,000 to DNR for this program.

Well compensation grant program

Under the well compensation grant program under current law, certain individual owners or renters of certain contaminated private wells may apply for a grant from DNR to cover a portion of the costs to treat the water, reconstruct the well,

construct a new well, connect to a public water supply, or fill and seal the well. The bill appropriates \$4,000,000 to DNR for this program.

Grants for well testing and public education

The bill requires DNR to create and administer a program to provide grants to counties to either 1) test and map privately owned wells to assess groundwater quality and determine the extent and type of any contamination and study and map geologic characteristics and well construction practices in the county to determine any correlation between water quality, geology, and well construction; or 2) if a county has completed this type of study, notify the public of the results of the study and notify private well owners whose wells may be contaminated based on the results of the completed study. Under the bill, DNR may not provide more than \$10,000 to any single county for testing and study under the first type of grant nor more than \$2,500 per county for notifications under the second type of grant. Counties may apply for a grant individually or as a group. The bill requires a county that receives a grant under this program to provide an equal amount of matching funds. The county must also share the results of its testing with the Center for Watershed Science and Education, but may not include any personally identifiable information with the submitted results. The bill appropriates \$1,000,000 to DNR for this program.

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

1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

3 **20.370 Natural resources, department of**

4 (6) ENVIRONMENTAL AIDS

5 (ca) Environmental aids — county

6 grants for testing wells GPR C 1,000,000 -0-

7 **SECTION 2.** 20.370 (6) (ca) of the statutes is created to read:

8 20.370 (6) (ca) *Environmental aids — county grants for testing wells.* As a
9 continuing appropriation, the amounts in the schedule to provide grants to counties
10 for testing privately owned wells and providing education under s. 281.73.

11 **SECTION 3.** 20.435 (4) (jw) of the statutes is amended to read:

1 20.435 (4) (jw) *BadgerCare Plus and hospital assessment*. All moneys received
2 from payment of enrollment fees under the program under s. 49.45 (23), all moneys
3 transferred under s. 50.38 (9), all moneys transferred from the appropriation account
4 under par. (jz), and 10 percent of all moneys received from penalty assessments
5 under s. 49.471 (9) (c), for administration of the program under s. 49.45 (23), to
6 provide a portion of the state share of administrative costs for the BadgerCare Plus
7 Medical Assistance program under s. 49.471, and for administration of the hospital
8 assessment under s. 50.38.

9 **SECTION 4.** 49.45 (2p) of the statutes is repealed.

10 **SECTION 5.** 49.45 (23) of the statutes is repealed.

11 **SECTION 6.** 49.45 (23b) (title) of the statutes is amended to read:

12 49.45 (23b) (title) CHILDLESS ADULTS DEMONSTRATION PROJECT REFORM WAIVER
13 IMPLEMENTATION REQUIRED.

14 **SECTION 7.** 49.45 (23b) (b) of the statutes is amended to read:

15 49.45 (23b) (b) Beginning as soon as practicable after October 31, 2018, and
16 ending no sooner than December 31, 2023, the department shall do all of the
17 following with regard to the childless adults demonstration project under sub. (23)
18 s. 49.471 (4) (a) 8.:

19 1. Require in each month persons, except exempt individuals, who are eligible
20 to receive Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. and who are at least
21 19 years of age but have not attained the age of 50 to participate in, document, and
22 report 80 hours per calendar month of community engagement activities. The
23 department, after finding good cause, may grant a temporary exemption from the
24 requirement under this subdivision upon request of a Medical Assistance recipient.

1 2. Require persons with incomes of at least 50 percent of the poverty line to pay
2 premiums in accordance with par. (c) as a condition of eligibility for Medical
3 Assistance under ~~sub. (23)~~ s. 49.471 (4) (a) 8.

4 3. Require as a condition of eligibility for Medical Assistance under ~~sub. (23)~~
5 s. 49.471 (4) (a) 8. completion of a health risk assessment.

6 4. Charge recipients of Medical Assistance under ~~sub. (23)~~ s. 49.471 (4) (a) 8.
7 an \$8 copayment for nonemergency use of the emergency department in accordance
8 with 42 USC 1396o-1 (e) (1) and 42 CFR 447.54.

9 5. Disenroll from Medical Assistance under ~~sub. (23)~~ s. 49.471 (4) (a) 8. for 6
10 months any individual who does not pay a required premium under subd. 2. and any
11 individual who is required under subd. 1. to participate in a community engagement
12 activity but who does not participate for 48 aggregate months in the community
13 engagement activity.

14 **SECTION 8.** 49.45 (23b) (c) of the statutes is amended to read:

15 49.45 **(23b)** (c) 1. Persons who are eligible for the demonstration project under
16 ~~sub. (23)~~ s. 49.471 (4) (a) 8. and who have monthly household income that exceeds
17 50 percent of the poverty line shall pay a monthly premium amount of \$8 per
18 household. A person who is eligible to receive an item or service furnished by an
19 Indian health care provider is exempt from the premium requirement under this
20 subdivision.

21 2. The department may disenroll under par. (b) 5. a person for nonpayment of
22 a required monthly premium only at annual eligibility redetermination after
23 providing notice and reasonable opportunity for the person to pay. If a person who
24 is disenrolled for nonpayment of premiums pays all owed premiums or becomes

1 exempt from payment of premiums, he or she may reenroll in Medical Assistance
2 under sub. ~~(23)~~ s. 49.471 (4) (a) 8.

3 3. The department shall reduce the amount of the required household premium
4 by up to half for a recipient of Medical Assistance under sub. ~~(23)~~ s. 49.471 (4) (a) 8.
5 who does not engage in certain behaviors that increase health risks or who attests
6 to actively managing certain unhealthy behaviors.

7 **SECTION 9.** 49.45 (23b) (e) of the statutes is amended to read:

8 49.45 **(23b)** (e) Before December 31, 2023, the ~~demonstration project~~
9 requirements under this subsection may not be withdrawn and the department may
10 not request from the federal government withdrawal, suspension, or termination of
11 the ~~demonstration project~~ requirements under this subsection unless legislation has
12 been enacted specifically allowing for the withdrawal, suspension, or termination.

13 **SECTION 10.** 49.471 (1) (cr) of the statutes is created to read:

14 49.471 **(1)** (cr) “Enhanced federal medical assistance percentage” means a
15 federal medical assistance percentage described under 42 USC 1396d (y) or (z).

16 **SECTION 11.** 49.471 (4) (a) 4. b. of the statutes is amended to read:

17 49.471 **(4)** (a) 4. b. The individual’s family income does not exceed ~~100~~ 133
18 percent of the poverty line ~~before application of the 5 percent income disregard under~~
19 ~~42 CFR 435.603 (d).~~

20 **SECTION 12.** 49.471 (4) (a) 8. of the statutes is created to read:

21 49.471 **(4)** (a) 8. An individual who meets all of the following criteria:

22 a. The individual is an adult under the age of 65.

23 b. The individual has a family income that does not exceed 133 percent of the
24 poverty line, except as provided in sub. (4g).

1 c. The individual is not otherwise eligible for the Medical Assistance program
2 under this subchapter or the Medicare program under 42 USC 1395 et seq.

3 **SECTION 13.** 49.471 (4g) of the statutes is created to read:

4 49.471 **(4g)** MEDICAID EXPANSION; FEDERAL MEDICAL ASSISTANCE PERCENTAGE. For
5 services provided to individuals described under sub. (4) (a) 8., the department shall
6 comply with all federal requirements to qualify for the highest available enhanced
7 federal medical assistance percentage. The department shall submit any
8 amendment to the state medical assistance plan, request for a waiver of federal
9 Medicaid law, or other approval request required by the federal government to
10 provide services to the individuals described under sub. (4) (a) 8. and qualify for the
11 highest available enhanced federal medical assistance percentage. Sections 20.940
12 and 49.45 (2t) do not apply to a submission to the federal government under this
13 subsection.

14 **SECTION 14.** 49.686 (3) (d) of the statutes is amended to read:

15 49.686 **(3)** (d) Has applied for coverage under and has been denied eligibility
16 for medical assistance within 12 months prior to application for reimbursement
17 under sub. (2). This paragraph does not apply to an individual who is eligible for
18 benefits under ~~the demonstration project for childless adults under s. 49.45 (23) or~~
19 ~~to an individual who is eligible for benefits under BadgerCare Plus under s. 49.471~~
20 (4) (a) 8. or (11).

21 **SECTION 15.** 281.73 of the statutes is created to read:

22 **281.73 County grants for well testing and public education.** (1) The
23 department shall administer a program to provide grants to counties for either of the
24 following purposes:

1 (a) To conduct countywide testing and mapping of privately owned wells to
2 assess groundwater quality and to determine the extent and type of any
3 contamination and to study and map geologic characteristics and well construction
4 practices in the county, including depth to bedrock and well age, to determine any
5 correlation between water quality, geology, and well construction.

6 (b) For counties that have completed the type of study described under par. (a),
7 to notify the public of the results of the completed study and to notify private well
8 owners whose wells may be contaminated based on the results of the completed
9 study.

10 **(2)** A county may receive a grant under either sub. (1) (a) or (b) but not both.

11 **(3)** More than one county may apply for a joint grant under this section if the
12 counties are applying for the same grant category under sub. (1) (a) or (b).

13 **(4)** The department may not provide more than \$10,000 per county under sub.
14 (1) (a) nor more than \$2,500 per county under sub. (1) (b).

15 **(5)** As a condition of receiving a grant under this section, a county shall do all
16 of the following:

17 (a) Provide matching funds equal to the amount of the proposed grant.

18 (b) Submit the results of its testing to the University of Wisconsin–Stevens
19 Point Center for Watershed Science and Education. Information submitted under
20 this paragraph may not include any personally identifiable information.

21 **(6)** In making grants under this section, the department shall seek to make a
22 grant to every county that applies.

23 **(7)** The department may promulgate rules necessary to implement this section
24 but may not impose substantive requirements on applicants other than those
25 provided in this section.

SECTION 9119. Nonstatutory provisions; Health Services.

(1) CHILDLESS ADULTS DEMONSTRATION PROJECT. The department of health services shall submit any necessary request to the federal department of health and human services for a state plan amendment or waiver of federal Medicaid law or to modify or withdraw from any waiver of federal Medicaid law relating to the childless adults demonstration project under s. 49.45 (23), 2019 stats., to reflect the incorporation of recipients of Medical Assistance under the demonstration project into the BadgerCare Plus program under s. 49.471 and the termination of the demonstration project. Sections 20.940 and 49.45 (2t) do not apply to a submission to the federal government under this subsection.

SECTION 9201. Fiscal changes; Administration.

(1) ENVIRONMENTAL IMPROVEMENT FUND TRANSFER. There is transferred from the general fund to the environmental improvement fund \$80,000,000 in fiscal year 2021-22.

(2) PRIVATE LEAD SERVICE LINE REPLACEMENT. In the schedule under s. 20.005 (3) for the appropriation to the department of administration under s. 20.505 (1) (v), the dollar amount for fiscal year 2021-22 is increased by \$80,000,000 to provide, under s. 281.61, principal forgiveness to municipalities to cover up to 50 percent of the costs of lead service line replacement on private property or principal forgiveness to municipalities to provide grants to private users of public water systems to cover up to 50 percent of the costs of lead service line replacement on private property.

SECTION 9219. Fiscal changes; Health Services.

(1) MEDICAID EXPANSION. In the schedule under s. 20.005 (3) for the appropriation to the department of health services under s. 20.435 (4) (b), the dollar amount for fiscal year 2021-22 is decreased by \$849,788,000 as a result of expanding

1 eligibility for the Medical Assistance program. In the schedule under s. 20.005 (3)
2 for the appropriation to the department of health services under s. 20.435 (4) (b), the
3 dollar amount for fiscal year 2022-23 is decreased by \$841,925,400 as a result of
4 expanding eligibility for the Medical Assistance program.

5 **SECTION 9232. Fiscal changes; Natural Resources.**

6 (1) ENVIRONMENTAL FUND TRANSFER. There is transferred from the general fund
7 to the environmental fund \$41,000,000 in fiscal year 2021-22.

8 (2) URBAN NONPOINT SOURCE WATER POLLUTION ABATEMENT AND STORM WATER
9 MANAGEMENT PROGRAM. In the schedule under s. 20.005 (3) for the appropriation to
10 the department of natural resources under s. 20.370 (6) (dq), the dollar amount for
11 fiscal year 2021-22 is increased by \$24,000,000 for the urban nonpoint source water
12 pollution abatement and storm water management program under s. 281.66.

13 (3) NONPOINT SOURCE WATER POLLUTION ABATEMENT PROJECTS. In the schedule
14 under s. 20.005 (3) for the appropriation to the department of natural resources
15 under s. 20.370 (6) (aq), the dollar amount for fiscal year 2021-22 is increased by
16 \$13,000,000 for nonpoint source water pollution abatement projects under s. 281.65
17 (4c) and (4e).

18 (4) WELL COMPENSATION GRANT PROGRAM. In the schedule under s. 20.005 (3) for
19 the appropriation to the department of natural resources under s. 20.370 (6) (cr), the
20 dollar amount for fiscal year 2021-22 is increased by \$4,000,000 for the well
21 compensation grant program under s. 281.75.

22 **SECTION 9400. Effective dates; general.** Except as otherwise provided in
23 SECTION 9419 of this act, this act takes effect on the day after publication, or on the
24 2nd day after publication of the 2021-23 biennial budget act, whichever is later.

25 **SECTION 9419. Effective dates; Health Services.**

