



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-0174/4
TJD:wlj:md

DOA:.....Skwarczek, BB0001 - Claim federal funding for certain services and make reimbursements to counties; sunset certain payments

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current law, DHS administers the Medical Assistance (MA) program, which is a jointly funded federal and state program that provides health services to individuals who have limited resources. Early and periodic screenings and subsequent treatment for individuals under 21 years of age; home health services prescribed by a physician; services and supplies prescribed by a physician for family planning; physical and occupational therapy; speech, hearing, and language disorder services; medical day treatment services, mental health services, and alcohol and other drug abuse services; nursing services; personal care services; mental health and psychosocial rehabilitative services provided by certain staff; respiratory care services for ventilator-dependent individuals; case management services; care coordination for women with high-risk pregnancies; prenatal, postpartum, and young child care coordination; care coordination and follow-up for persons having lead poisoning or lead exposure; mental health crisis intervention services; and case management services for recipients with high-cost chronic health conditions or high-cost catastrophic health conditions (covered services) are among services that are covered under the MA program. Currently DHS may make MA

payment adjustments to a county department for covered services. DHS then may decrease a county's allocation of community aids moneys by the amount of MA payment adjustments paid from general purpose revenue by DHS.

This bill creates a second procedure under which DHS may make payments to county departments for covered services. Under the second procedure, county departments must submit, annually, certified cost reports to DHS for covered services. DHS must base the amount of a claim for federal MA funds on the certified cost reports the county departments submit. For those covered services, under the second procedure, DHS must pay county departments a percentage, as established in the state's most recent biennial budget, of the federal funds claimed.

Currently, DHS may make payments to certain local health departments for MA services under the first payment procedure. This bill allows DHS to also pay local health departments under the second payment procedure.

The bill requires DHS to select which payment procedure it will use and allows DHS to change which procedure it uses. DHS must notify county and local departments before the date on which payment for services is made under the selected or newly selected procedure.

Under current law, DHS may make MA payments to providers of home health services prescribed by a physician, personal care services, respiratory care services for ventilator-dependent individuals, and home health services under the BadgerCare Plus Benchmark plan from a certain general purpose revenue appropriation account. This bill eliminates the authority for DHS to pay providers from that appropriation account for those services provided on or after January 1, 2012.

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

SECTION 1. 20.435 (7) (b) of the statutes is amended to read:

20.435 (7) (b) *Community aids and Medical Assistance payments.* The amounts in the schedule for human services under s. 46.40, to fund services provided by resource centers under s. 46.283 (5), for services under the family care benefit under s. 46.284 (5), for Medical Assistance payment adjustments under s. 49.45 (52), and (a) for services described in s. 49.45 (52) (a) 1., for Medical Assistance payments under s. 49.45 (6tw), and for Medical Assistance payments under s. 49.45 (53) for services described in s. 49.45 (53) that are provided before January 1, 2012. Social services disbursements under s. 46.03 (20) (b) may be made from this appropriation.

Refunds received relating to payments made under s. 46.03 (20) (b) for the provision of services for which moneys are appropriated under this paragraph shall be returned to this appropriation. Notwithstanding ss. 20.001 (3) (a) and 20.002 (1), the department of health services may transfer funds between fiscal years under this paragraph. The department shall deposit into this appropriation funds it recovers under ss. 46.495 (2) (b) and 51.423 (15), from prior year audit adjustments including those resulting from audits of services under s. 46.26, 1993 stats., or s. 46.27. Except for amounts authorized to be carried forward under s. 46.45, all funds recovered under ss. 46.495 (2) (b) and 51.423 (15) and all funds allocated under s. 46.40 and not spent or encumbered by December 31 of each year shall lapse to the general fund on the succeeding January 1 unless carried forward to the next calendar year by the joint committee on finance.

SECTION 2. 46.40 (9) (d) of the statutes is amended to read:

46.40 (9) (d) *Payment adjustments for certain Medical Assistance services.* The department may decrease a county's allocation under sub. (2) by the amount of any payment adjustments under s. 49.45 (52) (a) made for that county from the appropriation account under s. 20.435 (7) (b) for services described under s. 49.45 (52) (a) 1. The total amount of the decrease for a county under this paragraph during any fiscal year may not exceed that part of the county's allocation under sub. (2) that derives from the appropriation account under s. 20.435 (7) (b) for that fiscal year.

SECTION 3. 49.45 (6tw) of the statutes is amended to read:

49.45 (6tw) PAYMENTS TO CITY HEALTH DEPARTMENTS. From the appropriation account under s. 20.435 (7) (b), if the department selects the payment procedure under s. 49.45 (52) (a), the department may make payments to local health departments, as defined under s. 250.01 (4) (a) 3. Payment under this subsection to

such a local health department may not exceed on an annualized basis payment made by the department to the local health department under s. 49.45 (6t), 2003 stats., for services provided by the local health department in 2002.

SECTION 4. 49.45 (52) (title) of the statutes is amended to read:

49.45 (52) (title) PAYMENT ADJUSTMENTS; FEDERAL FUNDING FOR CERTAIN SERVICES.

SECTION 5. 49.45 (52) of the statutes is renumbered 49.45 (52) (a) 1. and amended to read:

49.45 (52) (a) 1. ~~Beginning on January 1, 2003~~ If the department provides the notice under par. (c) selecting the payment procedure in this paragraph, the department may, from the appropriation account under s. 20.435 (7) (b), make Medical Assistance payment adjustments to county departments under s. 46.215, 46.22, 46.23, ~~or~~ 51.42, or 51.437 or to local health departments, as defined in s. 250.01 (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16., except for services specified under s. 49.46 (2) (b) 6. b. and c. provided to children participating in the early intervention program under s. 51.44. Payment adjustments under this ~~subsection~~ paragraph shall include the state share of the payments. The total of any payment adjustments under this ~~subsection~~ paragraph and Medical Assistance payments made from appropriation accounts under s. 20.435 (4) (b), (gm), (o), and (w), may not exceed applicable limitations on payments under [42 USC 1396a](#) (a) (30) (A).

****NOTE: This is reconciled s. 49.45 (52) (a) 1. This SECTION has been affected by draft LRB-0809/3.

SECTION 6. 49.45 (52) (a) 2. of the statutes is created to read:

49.45 (52) (a) 2. The department may require a county department or local health department to submit a certified cost report that meets the requirements of the federal department of health and human services for covered services described in subd. 1.

SECTION 7. 49.45 (52) (b) of the statutes is created to read:

49.45 (52) (b) If the department provides the notice under par. (c) selecting the payment procedure in this paragraph, all of the following apply:

1. Annually, a county department under s. 46.215, 46.22, 46.23, 51.42, or 51.437 shall submit a certified cost report that meets the requirements of the federal department of health and human services for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16., except for services specified under s. 49.46 (2) (b) 6. b. and c. provided to children participating in the early intervention program under s. 51.44.

2. For services described under subd. 1., the department shall base the amount of a claim for federal medical assistance funds on certified cost reports submitted by county departments under subd. 1. to the extent the reports comply with federal requirements.

3. The department shall pay county departments a percentage of the federal funds claimed under subd. 2. for services described under subd. 1., which percentage is established in the most recent biennial budget.

4. The department may pay a local health department, as defined in s. 250.01 (4), that submits certified cost reports for services described under subd. 1. a percentage of the federal funds claimed for those services, which percentage is established in the most recent biennial budget.

SECTION 8. 49.45 (52) (c) of the statutes is created to read:

49.45 (52) (c) The department shall select a payment procedure under either par. (a) or (b) and may change which procedure under par. (a) or (b) is selected. The department shall notify each county department and local health department, as applicable, of the selected payment procedure before the date on which payment for services is made under that selected or newly selected procedure.

SECTION 9. 49.45 (53) of the statutes is amended to read:

49.45 (53) PAYMENTS FOR CERTAIN SERVICES. Beginning on January 1, 2003, the department may, from the appropriation account under s. 20.435 (7) (b), make Medical Assistance payments to providers for covered services under ss. 49.46 (2) (a) 4. d. and (b) 6. j. and m. and 49.471 (11) (f) that are provided before January 1, 2012.

(END)