



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1019/6
FFK&PJK:nwn/jld/cjs/kjf.md

DOA:.....Skwarczek, BB0220 – Income maintenance administration unit;
transfer of SSI programs; cemetery, funeral, and burial expenses
appropriation

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

PUBLIC ASSISTANCE

Under current law, income maintenance programs are administered by counties, except for Milwaukee County, and by tribal governing bodies through contracts with DHS. The Milwaukee County enrollment services unit within DHS (Milwaukee unit) administers income maintenance programs in Milwaukee County. Income maintenance programs are currently specified in the statutes as the Medical Assistance program, including BadgerCare Plus; the food stamp program; and the funeral, burial, and cemetery expenses program under which county departments of social services or human services pay cemetery, funeral, and burial expenses for decedents who, during life, received certain public assistance benefits and whose estates are insufficient to pay those expenses.

This bill requires DHS to establish an income maintenance administration unit (IM unit) in DHS to administer income maintenance programs in all counties. Under this bill, administration of income maintenance programs specifically includes receiving applications, determining eligibility, conducting fraud investigations, implementing error reduction procedures, and recovering overpayment of benefits.

This bill provides that, until the IM unit is prepared to assume income maintenance administration from counties, DHS may continue to delegate income maintenance administrative functions to counties, on a county by county basis. Similarly, under this bill, the Milwaukee unit will continue to administer income maintenance programs for Milwaukee County until the IM unit is prepared to administer income maintenance programs in Milwaukee County. This bill requires that the IM unit administer income maintenance programs for all counties no later than May 1, 2012. The Milwaukee unit is eliminated when the IM unit assumes income maintenance program administration in Milwaukee County or on May 1, 2012, whichever is earlier.

Under current law, DHS administers two programs that provide supplemental payments to individuals who are eligible to receive federal supplemental security income (SSI). The first program provides supplemental cash payments, known as state supplemental payments, to an individual who qualifies for SSI because the individual is elderly, blind, or disabled. The second program, known as the caretaker supplement program, provides additional cash payments to an individual who receives SSI, state supplemental payments, or both, and is a custodial parent of a dependent child. This bill transfers the administration of the state supplemental payment program and the caretaker supplement program to DCF.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

SECTION 1. 16.27 (5) (c) of the statutes is amended to read:

16.27 (5) (c) A household entirely composed of persons receiving aid to families with dependent children under s. 49.19, food stamps under [7 USC 2011 to 2036](#), or supplemental security income or state supplemental payments under [42 USC 1381 to 1383c](#) or s. ~~49.77~~ [49.39](#).

SECTION 2. 20.435 (4) (bm) of the statutes is amended to read:

20.435 (4) (bm) *Medical Assistance, food stamps, and Badger Care administration; contract costs, insurer reports, and resource centers.* Biennially, the amounts in the schedule to provide a portion of the state share of administrative contract costs for the Medical Assistance program under subch. IV of ch. 49 and the Badger Care health care program under s. 49.665 and to provide all of the state share

of administrative costs for the food stamp program under s. 49.79, ~~other than payments to counties and tribal governing bodies under s. 49.78 (8) including payments to a tribal governing body that administers income maintenance programs, as defined in s. 49.78 (1) (b), to a county to which income maintenance administrative functions are delegated under 2011 Wisconsin Act ... (this act), section 9121 (1) (c), and for the administration of the programs under s. 49.825 (2) (a) 1. by the Milwaukee County enrollment services unit, to develop and implement a registry of recipient immunizations, to reimburse 3rd parties for their costs under s. 49.475, for costs associated with outreach activities, for state administration of state supplemental grants to supplemental security income recipients under s. 49.77, to administer the pharmacy benefits purchasing pool under s. 146.45, and for services of resource centers under s. 46.283. No state positions may be funded in the department of health services from this appropriation, except positions for the performance of duties under a contract in effect before January 1, 1987, related to the administration of the Medical Assistance program between the subunit of the department primarily responsible for administering the Medical Assistance program and another subunit of the department or for positions in the income maintenance administration unit, as described in s. 49.78 (1m). Total administrative funding authorized for the program under s. 49.665 may not exceed 10% of the amounts budgeted under pars. (p) and (x).~~

SECTION 3. 20.435 (4) (bm) of the statutes, as affected by 2011 Wisconsin Act ... (this act), section 2, is amended to read:

20.435 (4) (bm) *Medical Assistance, food stamps, and Badger Care administration; contract costs, insurer reports, and resource centers.* Biennially, the amounts in the schedule to provide a portion of the state share of administrative

contract costs for the Medical Assistance program under subch. IV of ch. 49 and the Badger Care health care program under s. 49.665 and all of the state share of administrative costs for the food stamp program under s. 49.79, including payments to a tribal governing body that administers income maintenance programs, as defined in s. 49.78 (1) (b), and to a county to which income maintenance administrative functions are delegated under 2011 Wisconsin Act (this act), section 9121 (1) (c), ~~and for the administration of the programs under s. 49.825 (2) (a) 1. by the Milwaukee County enrollment services unit,~~ to develop and implement a registry of recipient immunizations, to reimburse 3rd parties for their costs under s. 49.475, for costs associated with outreach activities, to administer the pharmacy benefits purchasing pool under s. 146.45, and for services of resource centers under s. 46.283. No state positions may be funded in the department of health services from this appropriation, except positions for the performance of duties under a contract in effect before January 1, 1987, related to the administration of the Medical Assistance program between the subunit of the department primarily responsible for administering the Medical Assistance program and another subunit of the department or for positions in the income maintenance administration unit, as described in s. 49.78 (1m). Total administrative funding authorized for the program under s. 49.665 may not exceed 10% of the amounts budgeted under pars. (p) and (x).

SECTION 4. 20.435 (4) (bm) of the statutes, as affected by 2011 Wisconsin Act (this act), section 3, is amended to read:

20.435 (4) (bm) *Medical Assistance, food stamps, and Badger Care administration; contract costs, insurer reports, and resource centers.* Biennially, the amounts in the schedule to provide a portion of the state share of administrative contract costs for the Medical Assistance program under subch. IV of ch. 49 and the

Badger Care health care program under s. 49.665 and, all of the state share of administrative costs for the food stamp program under s. 49.79, and the administrative costs of the cemetery, funeral, and burial expenses program under s. 49.785, including payments to a tribal governing body that administers income maintenance programs, as defined in s. 49.78 (1) (b), ~~and to a county to which income maintenance administrative functions are delegated under 2011 Wisconsin Act ... (this act), section 9121 (1) (e),~~ to develop and implement a registry of recipient immunizations, to reimburse 3rd parties for their costs under s. 49.475, for costs associated with outreach activities, to administer the pharmacy benefits purchasing pool under s. 146.45, and for services of resource centers under s. 46.283. No state positions may be funded in the department of health services from this appropriation, except positions for the performance of duties under a contract in effect before January 1, 1987, related to the administration of the Medical Assistance program between the subunit of the department primarily responsible for administering the Medical Assistance program and another subunit of the department or for positions in the income maintenance administration unit, as described in s. 49.78 (1m). Total administrative funding authorized for the program under s. 49.665 may not exceed 10% of the amounts budgeted under pars. (p) and (x).

SECTION 5. 20.435 (4) (bm) of the statutes, as affected by 2011 Wisconsin Act ... (this act), section 4, is amended to read:

20.435 (4) (bm) *Medical Assistance, food stamps, and Badger Care Income maintenance program administration; contract costs, insurer reports, and resource centers.* Biennially, the amounts in the schedule to provide a portion of the state share of administrative contract costs for the Medical Assistance program under subch. IV of ch. 49 and the Badger Care health care program under s. 49.665, ~~all of~~

~~the state share of administrative costs for the food stamp program under s. 49.79, and the administrative costs of the cemetery, funeral, and burial expenses program under s. 49.785, including payments to a tribal governing body that administers income maintenance programs, as defined in s. 49.78 (1) (b), to develop and implement a registry of recipient immunizations, to reimburse 3rd parties for their costs under s. 49.475, for costs associated with outreach activities, to administer the pharmacy benefits purchasing pool under s. 146.45, and for services of resource centers under s. 46.283. No state positions may be funded in the department of health services from this appropriation, except positions for the performance of duties under a contract in effect before January 1, 1987, related to the administration of the Medical Assistance program between the subunit of the department primarily responsible for administering the Medical Assistance program and another subunit of the department or for positions in the income maintenance administration unit, as described in s. 49.78 (1m). Total administrative funding authorized for the program under s. 49.665 may not exceed 10% of the amounts budgeted under pars. (p) and (x).~~

***NOTE: This is reconciled s. 20.435 (4) (bm). This SECTION has been affected by drafts with the following LRB numbers: 1019/4 and 1195/1

SECTION 6. 20.435 (4) (bn) of the statutes is amended to read:

20.435 (4) (bn) *Income maintenance; food stamp employment and training program.* Biennially, the amounts in the schedule ~~for funeral expenses under s. 49.785, for the administration of the food stamp employment and training program under s. 49.79 (9), for the performance of income maintenance administrative activities on behalf of a local entity, as defined in s. 30.77 (3) (dm) 1. b., and for payments under s. 49.78 (8) relating to the administration of the Medical Assistance~~

~~program under subch. IV of ch. 49, the Badger Care health care program under s. 49.665, the food stamp program, and the cemetery, funeral, and burial expenses program under s. 49.785.~~

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 7. 20.435 (4) (br) of the statutes is created to read:

20.435 (4) (br) *Cemetery, funeral, and burial expenses program.* Biennially, the amounts in the schedule for cemetery, funeral, and burial expenses under s. 49.785.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 8. 20.435 (4) (ed) of the statutes is renumbered 20.437 (2) (ed) and amended to read:

20.437 (2) (ed) *State supplement to federal supplemental security income program.* A sum sufficient for payments of supplemental grants to supplemental security income recipients under s. ~~49.77~~ 49.39 and, except as provided in 1997 Wisconsin Act 237, section 9122 (4e) (a), for payments for the support of children of supplemental security income recipients under s. ~~49.775~~ 49.395.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 9. 20.435 (4) (im) of the statutes is amended to read:

20.435 (4) (im) *Medical assistance; correct payment recovery; collections; other recoveries.* All moneys received from the recovery of correct medical assistance payments under ss. 49.496 and 867.035 and rules promulgated under s. 46.286 (7), and all moneys received as collections and other recoveries from providers, drug manufacturers, and other 3rd parties under medical assistance performance-based contracts, ~~and all moneys credited to this appropriation account under s. 49.89 (7) (f),~~ for payments to counties and tribal governing bodies under s. 49.496 (4) (a), for

payment of claims under s. 867.035 (3), for payments to the federal government for its share of medical assistance benefits recovered, for the state share of medical assistance benefits provided under subch. IV of ch. 49, and for costs related to collections and other recoveries.

SECTION 10. 20.435 (4) (L) of the statutes is amended to read:

20.435 (4) (L) *Fraud and error reduction.* All moneys received as the state's share of the recovery of overpayments and incorrect payments under ss. 49.497 (1) and (1m), 49.793 (2) (a), and 49.847, all moneys received from counties and tribal governing bodies as a result of any error reduction activities under ss. 49.197 and 49.845, and all moneys credited to this appropriation account under ss. 49.497 (2) (b), 49.793 (2) (b), and 49.847 (3) (b), for any contracts under s. 49.197 (5), for any activities to reduce error and fraud under s. 49.845, to pay federal sanctions under the food stamp program, and for food stamp reinvestment activities under reinvestment agreements with the federal department of agriculture that are designed to improve the food stamp program.

SECTION 11. 20.435 (4) (nn) of the statutes is amended to read:

20.435 (4) (nn) *Federal aid; income maintenance.* All moneys received from the federal government for the costs of contracting for the administration of the Medical Assistance program under subch. IV of ch. 49 and the Badger Care health care program under s. 49.665 and the food stamp program, other than moneys received under par. (pa), for payments under s. 49.78 (8) costs to administer income maintenance programs, as defined in s. 49.78 (1) (b).

SECTION 12. 20.437 (2) (eg) of the statutes is created to read:

20.437 (2) (eg) *State supplement to federal supplemental security income programs; administration.* Biennially, the amounts in the schedule for the

administration of the supplemental security income payments program under s. 49.39 and the program providing payments for the support of children of supplemental security income recipients under s. 49.395.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 13. 20.437 (2) (r) of the statutes is amended to read:

20.437 (2) (r) *Support receipt and disbursement program; payments.* From the support collections trust fund, except as provided in par. (qm), all moneys received under s. 49.854, except for moneys received under s. 49.854 (11) (b), all moneys received under ss. 767.57 and 767.75 for child or family support, maintenance, spousal support, health care expenses, or birth expenses, all other moneys received under judgments or orders in actions affecting the family, as defined in s. 767.001 (1), and all moneys received under s. 49.855 (4) from the department of revenue or the department of administration that were withheld by the department of revenue or the internal revenue service for delinquent child support, family support, or maintenance or outstanding court-ordered amounts for past support, medical expenses, or birth expenses, for disbursement to the persons for whom the payments are awarded, for returning seized funds under s. 49.854 (5) (f), and, if assigned under s. 49.775 (2) (bm), 2009 stats., or s. 48.57 (3m) (b) 2. or (3n) (b) 2., 48.645 (3), 49.145 (2) (s), 49.19 (4) (h) 1. b., or ~~49.775~~ 49.395 (2) (bm), for transfer to the appropriation account under par. (k). Estimated disbursements under this paragraph shall not be included in the schedule under s. 20.005.

SECTION 14. 20.545 (1) (i) of the statutes is amended to read:

20.545 (1) (i) *Services to nonstate governmental units.* The amounts in the schedule for the purpose of funding personnel services to nonstate governmental

units under s. 230.05 (8), including services provided under ss. ~~49.78 (5)~~ 49.19 (19g) (b) and 59.26 (8) (a). All moneys received from the sale of these services shall be credited to this appropriation account.

SECTION 15. 40.02 (25) (b) 2c. of the statutes is amended to read:

40.02 **(25)** (b) 2c. A state employee described in s. ~~49.825 (4)~~ or 49.826 (4).

SECTION 16. 40.22 (2) (m) of the statutes is amended to read:

40.22 **(2)** (m) Notwithstanding sub. (3m), the employee was formerly employed by Milwaukee County, is a state employee described in s. 49.825 (4), 2009 stats., or s. 49.826 (4), and elects to remain a covered employee under the retirement system established under chapter 201, laws of 1937, pursuant to s. 49.825 (4) (c), 2009 stats., or s. 49.826 (4) (c). This paragraph shall not apply if the employee remains a state employee, but is no longer performing services for the Milwaukee County enrollment services unit under s. 49.825, 2009 stats., or the child care provider services unit under s. 49.826.

SECTION 17. 40.62 (2) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

40.62 **(2)** Sick leave accumulation shall be determined in accordance with rules of the department, any collective bargaining agreement under subch. I, V, or VI of ch. 111, and ss. 13.121 (4), 36.30, 37.30, ~~49.825 (4) (d)~~, 49.826 (4) (d), 230.35 (2), 233.10, 238.04 (8), 757.02 (5) and 978.12 (3).

****NOTE: This is reconciled s. 40.62 (2). This SECTION has been affected by drafts with the following LRB numbers: 1019/4, 1187/P4 and 1465/P3.

SECTION 18. 46.206 (1) (bm) of the statutes is amended to read:

46.206 **(1)** (bm) All records of the department relating to aid provided under s. 49.77, 2009 stats., or s. 49.46, 49.465, 49.468, 49.47, or 49.471, ~~or 49.77~~ are open

to inspection at reasonable hours by members of the legislature who require the information contained in the records in pursuit of a specific state legislative purpose. All records of any county relating to aid provided under s. 49.77, 2009 stats., or s. 49.46, 49.465, 49.468, 49.47, or 49.471, ~~or 49.77~~ are open to inspection at reasonable hours by members of the board of supervisors of the county or the governing body of a city, village or town located in the county who require the information contained in the records in pursuit of a specific county or municipal legislative purpose. The right to records access provided by this paragraph does not apply if access is prohibited by federal law or regulation or if this state is required to prohibit such access as a condition precedent to participation in a federal program in which this state participates.

SECTION 19. 46.215 (1) (intro.) of the statutes is amended to read:

46.215 (1) CREATION; POWERS AND DUTIES. (intro.) In a county with a population of 500,000 or more the administration of welfare services, other than child welfare services under s. 48.48 (17) administered by the department and except as provided in ss. 49.155 (3g), 49.78 (1m), 49.825, and 49.826, is vested in a county department of social services under the jurisdiction of the county board of supervisors under s. 46.21 (2m) (b) 1. a. Any reference in any law to a county department of social services under this section applies to a county department under s. 46.21 (2m) in its administration under s. 46.21 (2m) of the powers and duties of the county department of social services. Except as provided in ss. 49.155 (3g), 49.78 (1m), 49.825, and 49.826, the county department of social services shall have the following functions, duties, and powers, and such other welfare functions as may be delegated to it:

SECTION 20. 46.215 (1) (intro.) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

46.215 (1) CREATION; POWERS AND DUTIES. (intro.) In a county with a population of 500,000 or more the administration of welfare services, other than child welfare services under s. 48.48 (17) administered by the department and except as provided in ss. 49.155 (3g), 49.78 (1m), ~~49.825~~, and 49.826, is vested in a county department of social services under the jurisdiction of the county board of supervisors under s. 46.21 (2m) (b) 1. a. Any reference in any law to a county department of social services under this section applies to a county department under s. 46.21 (2m) in its administration under s. 46.21 (2m) of the powers and duties of the county department of social services. Except as provided in ss. 49.155 (3g), 49.78 (1m), ~~49.825~~, and 49.826, the county department of social services shall have the following functions, duties, and powers, and such other welfare functions as may be delegated to it:

SECTION 21. 46.215 (1) (L) of the statutes is amended to read:

46.215 (1) (L) Within the limits of available state and federal funds and of county funds appropriated to match state funds, to provide social services for persons eligible for or receiving benefits under the supplementary security income program under federal Title XVI, the supplemental payments program under s. ~~49.77~~ 49.39 or aid to families with dependent children under s. 49.19.

SECTION 22. 46.22 (1) (b) 1. (intro.) of the statutes is amended to read:

46.22 (1) (b) 1. (intro.) ~~The Except as provided in s. 49.78 (1m), the~~ county department of social services shall have the following functions, duties and powers in accordance with the rules promulgated by the department of health services and subject to the supervision of the department of health services:

SECTION 23. 46.22 (1) (b) 1. c. of the statutes is renumbered 46.22 (1) (b) 2. h. and amended to read:

46.22 (1) (b) 2. h. Within the limits of available state and federal funds and of county funds appropriated to match state funds, to provide social services for persons eligible for or receiving supplemental security aids under Title XVI of the social security act, eligible for or receiving state supplemental payments under s. 49.77 49.39 or eligible for or receiving aid to families with dependent children under s. 49.19.

SECTION 24. 46.22 (1) (b) 2. d. of the statutes is repealed.

****NOTE: This is reconciled s. 46.22 (1) (b) 2. d. This SECTION has been affected by drafts with the following LRB numbers: 1019/4 and 1195/1.

SECTION 25. 46.22 (1) (d) of the statutes is amended to read:

46.22 (1) (d) *Merit system; records.* The county department of social services is subject to s. ~~49.78 (4) to (7)~~ 49.19 (19g). The county department of social services and all county officers and employees performing any duties in connection with the administration of aid to families with dependent children shall observe all rules promulgated by the department of children and families under s. ~~49.78 (4)~~ 49.19 (19g) (a) and shall keep records and furnish reports as the department of children and families requires in relation to their performance of such duties.

SECTION 26. 46.22 (2) (b) of the statutes is amended to read:

46.22 (2) (b) Appoint the county social services director under sub. (3) subject to s. ~~49.78 (4) to (7)~~ 49.19 (19g) and the rules promulgated thereunder and subject to the approval of the county board of supervisors in a county with a single-county department of social services or the county boards of supervisors in counties with a multicounty department of social services.

SECTION 27. 46.22 (3m) (a) of the statutes is amended to read:

46.22 **(3m)** (a) In any county with a county executive or a county administrator that has established a single-county department of social services, the county executive or county administrator, subject to s. ~~49.78 (4) to (7)~~ 49.19 (19g) and the rules promulgated thereunder, shall appoint and supervise the county social services director. The appointment is subject to the confirmation of the county board of supervisors unless the county board of supervisors, by ordinance, elects to waive confirmation or unless the appointment is made under a civil service system competitive examination procedure established under s. 59.52 (8) or ch. 63.

SECTION 28. 46.27 (7) (am) of the statutes is amended to read:

46.27 **(7)** (am) From the appropriation under s. 20.435 (7) (bd), the department shall allocate funds to each county or private nonprofit agency with which the department contracts to pay assessment and case plan costs under sub. (6) not otherwise paid by fee or under s. 49.45 ~~or 49.78 (2)~~. The department shall reimburse counties for the cost of assessing persons who are eligible for medical assistance under s. 49.46, 49.468, 49.47, or 49.471 (4) (a) ~~as part of the administrative services of medical assistance, payable, as provided~~ under s. 49.45 (3) (a). Counties may use unspent funds allocated under this paragraph to pay the cost of long-term community support services and for a risk reserve under par. (fr).

SECTION 29. 46.283 (3) (k) of the statutes is amended to read:

46.283 **(3)** (k) A determination of eligibility for state supplemental payments under s. ~~49.77~~ 49.39, medical assistance under s. 49.46, 49.468, 49.47, or 49.471, or the federal food stamp program under 7 USC 2011 to 2029.

SECTION 30. 46.40 (9) (e) of the statutes is created to read:

46.40 (9) (e) *Adjustment for income maintenance programs.* In each fiscal year, beginning in fiscal year 2012-13, the department shall decrease a county's allocation under sub. (2) from the appropriation under s. 20.435 (7) (b) by the amount that the department determines the county expended in calendar year 2009 to provide income maintenance programs, as defined in s. 49.78 (1) (b).

SECTION 31. 48.57 (3m) (am) 6. of the statutes is amended to read:

48.57 (3m) (am) 6. The child for whom the kinship care relative is providing care and maintenance is not receiving supplemental security income under [42 USC 1381 to 1383c](#) or state supplemental payments under s. ~~49.77~~ [49.39](#).

SECTION 32. 48.57 (3n) (am) 5r. of the statutes is amended to read:

48.57 (3n) (am) 5r. The child for whom the long-term kinship care relative is providing care and maintenance is not receiving supplemental security income under [42 USC 1381 to 1383c](#) or state supplemental payments under s. ~~49.77~~ [49.39](#).

SECTION 33. 48.685 (5) (br) 5. of the statutes is amended to read:

48.685 (5) (br) 5. An offense involving fraudulent activity as a participant in the Wisconsin Works program under ss. 49.141 to 49.161, including as a recipient of a child care subsidy under s. 49.155, or as a recipient of aid to families with dependent children under s. 49.19, medical assistance under subch. IV of ch. 49, food stamps benefits under the food stamp program under [7 USC 2011 to 2036](#), supplemental security income payments under s. 49.77, 2009 stats., or s. 49.39, payments for the support of children of supplemental security income recipients under s. 49.775, 2009 stats., or s. 49.395, or health care benefits under the Badger Care health care program under s. 49.665.

SECTION 34. 49.145 (2) (i) of the statutes is amended to read:

49.145 (2) (i) The individual is not receiving supplemental security income under 42 USC 1381 to 1383c or state supplemental payments under s. ~~49.77~~ 49.39 and, if the individual is a dependent child, the custodial parent of the individual does not receive a payment on behalf of the individual under s. ~~49.775~~ 49.395. The department may require an individual who receives benefits under s. 49.148 and who has applied for supplemental security income under 42 USC 1381 to 1383c to authorize the federal social security administration to reimburse the department for the benefits paid to the individual under s. 49.148 during the period that the individual was entitled to supplemental security income benefits to the extent that retroactive supplemental security income benefits are made available to the individual.

SECTION 35. 49.155 (1) (ah) of the statutes is amended to read:

49.155 (1) (ah) "County department or agency" means a county department under s. 46.215, 46.22, or 46.23, ~~the unit, as defined in s. 49.825 (1) (e),~~ or a Wisconsin Works agency, child care resource and referral agency, or other agency.

SECTION 36. 49.155 (3g) (a) (intro.) of the statutes is amended to read:

49.155 (3g) (a) (intro.) The department may contract with the Milwaukee County enrollment services unit, as provided in s. ~~49.825 (2) (b)~~ department of health services, to do any of the following:

SECTION 37. 49.19 (5) (d) of the statutes is amended to read:

49.19 (5) (d) The department shall ~~reimburse the county for~~ pay the funeral, burial, and cemetery expenses of a dependent child or the child's parents as provided in s. 49.785.

SECTION 38. 49.19 (19m) of the statutes is amended to read:

49.19 (19m) Notwithstanding subs. (1) to (19), no aid may be paid under this section for a child on whose behalf a payment is made under s. 49.775 ~~49.395~~.

SECTION 39. 49.197 (1m) of the statutes is amended to read:

49.197 (1m) FRAUD INVESTIGATION. From the appropriations under s. 20.437 (2) (dz), (kx), (L), (mc), (md), (me), and (nL), the department shall establish a program to investigate suspected fraudulent activity on the part of recipients of aid to families with dependent children under s. 49.19, supplemental security income payments under s. 49.77, 2009 stats., or s. 49.39, and payments for the support of children of supplemental security income recipients under s. 49.775, 2009 stats., or s. 49.395, on the part of participants in the Wisconsin Works program under ss. 49.141 to 49.161, and, if the department of health services contracts with the department under sub. (5), on the part of recipients of medical assistance under subch. IV, food stamp benefits under the food stamp program under ~~7 USC 2011 to 2036,~~ supplemental security income payments under s. 49.77, payments for the support of children of supplemental security income recipients under s. 49.775, and health care benefits under the Badger Care health care program under s. 49.665. The department's activities under this subsection may include, but are not limited to, comparisons of information provided to the department by an applicant and information provided by the applicant to other federal, state, and local agencies, development of an advisory welfare investigation prosecution standard, and provision of funds to county departments under ss. 46.215, 46.22, and 46.23 and to Wisconsin Works agencies to encourage activities to detect fraud. The department shall cooperate with district attorneys regarding fraud prosecutions.

SECTION 40. 49.197 (2) (cm) of the statutes is amended to read:

49.197 (2) (cm) Any amounts recovered with respect to the child care subsidy program under s. 49.155 by a county department in a county having a population of 500,000 or more as a result of a program under par. (b) or due to the efforts of an employee of such a county who is supervised by the department ~~or the department of health services under s. 49.825~~ shall be credited to the appropriation account under s. 20.437 (2) (me).

SECTION 41. 49.197 (3) of the statutes is amended to read:

49.197 (3) STATE ERROR REDUCTION ACTIVITIES. The department shall conduct activities to reduce payment errors in Wisconsin Works under ss. 49.141 to 49.161, the supplemental security income payments program under s. 49.39, the program providing payments for the support of children of supplemental security income recipients under s. 49.395, and, if the department of health services contracts with the department under sub. (5), the Medical Assistance program under subch. IV, the food stamp program under [7 USC 2011 to 2036](#), ~~the supplemental security income payments program under s. 49.77, the program providing payments for the support of children of supplemental security income recipients under s. 49.775,~~ and the Badger Care health care program under s. 49.665.

SECTION 42. 49.197 (4) of the statutes is amended to read:

49.197 (4) COUNTY AND TRIBAL ERROR REDUCTION. If the department of health services contracts with the department under sub. (5), the department shall provide funds from the appropriation under s. 20.437 (2) (kx) to counties and governing bodies of federally recognized American Indian tribes administering Medical Assistance under subch. IV, the food stamp program under [7 USC 2011 to 2036](#), ~~the supplemental security income payments program under s. 49.77, the program providing payments for the support of children of supplemental security income~~

recipients under s. 49.775, and the Badger Care health care program under s. 49.665, as applicable, to offset administrative costs of reducing payment errors in those programs.

SECTION 43. 49.197 (5) of the statutes is amended to read:

49.197 (5) ~~CONTRACTS FOR MEDICAL ASSISTANCE, AND FOOD STAMPS, SUPPLEMENTAL SECURITY INCOME, AND CARETAKER SUPPLEMENT.~~ Notwithstanding s. 49.845 (1) and (2), the department of health services may contract with the department to investigate suspected fraudulent activity on the part of recipients of medical assistance under subch. IV, food stamp benefits under the food stamp program under [7 USC 2011 to 2036](#), ~~supplemental security income payments under s. 49.77, payments for the support of children of supplemental security income recipients under s. 49.775, and health care benefits under the Badger Care health care program under s. 49.665 and to conduct activities to reduce payment errors in the Medical Assistance program under subch. IV, the food stamp program under [7 USC 2011 to 2036](#), the supplemental security income payments program under s. 49.77, the program providing payments for the support of children of supplemental security income recipients under s. 49.775, and the Badger Care health care program under s. 49.665, as provided in this section.~~

SECTION 44. 49.35 (1) (bm) of the statutes is amended to read:

49.35 (1) (bm) All records of the department relating to aid provided under s. 49.19 or 49.39 are open to inspection at reasonable hours by members of the legislature who require the information contained in the records in pursuit of a specific state legislative purpose. All records of any county relating to aid provided under s. 49.19 or 49.39 are open to inspection at reasonable hours by members of the board of supervisors of the county or the governing body of a city, village or town

located in the county who require the information contained in the records in pursuit of a specific county or municipal legislative purpose. The right to records access provided by this paragraph does not apply if access is prohibited by federal law or regulation or if this state is required to prohibit such access as a condition precedent to participation in a federal program in which this state participates.

SECTION 45. 49.43 (1e) of the statutes is amended to read:

49.43 (1e) “Accommodated person” means any person in a hospital or in a skilled nursing facility or intermediate care facility, as defined in Title XIX of the social security act, who would have been eligible for benefits under s. 49.19 or ~~49.77~~ 49.39 or federal Title XVI if the person were not in such a hospital or facility, and any person in such an institution who can be found eligible for Title XIX under the social security act.

SECTION 46. 49.45 (2) (a) 3. of the statutes is amended to read:

49.45 (2) (a) 3. Determine the eligibility of persons for medical assistance, rehabilitative, and social services under ss. 49.46, 49.468, 49.47, and 49.471 and rules and policies adopted by the department and may, under a contract under s. 49.78 (2), delegate all, or any portion, of this function to ~~the county department under s. 46.215, 46.22, or 46.23~~ or a tribal governing body.

SECTION 47. 49.45 (3) (a) of the statutes is amended to read:

49.45 (3) (a) Reimbursement shall be made to each county department under ss. 46.215, 46.22, and 46.23 for any administrative services performed in the Medical Assistance program on the basis of s. 49.78 (8). ~~For purposes of reimbursement under this paragraph,~~ assessments completed under s. 46.27 (6) (a) are administrative services performed in the Medical Assistance program.

SECTION 48. 49.45 (5) (b) 1. (intro.) of the statutes is amended to read:

49.45 (5) (b) 1. (intro.) Upon receipt of a timely petition under par. (a) the department shall give the applicant or recipient reasonable notice and opportunity for a fair hearing. The department may make such additional investigation as it considers necessary. Notice of the hearing shall be given to the applicant or recipient and, if a county department under s. 46.215, 46.22, or 46.23 is responsible for making made the medical assistance determination, to the county clerk of the county. The county may be represented at such hearing. The department shall render its decision as soon as possible after the hearing and shall send a certified copy of its decision to the applicant or recipient, and to the county clerk, ~~and to any county officer charged with administration of the Medical Assistance program.~~ The decision of the department shall have the same effect as an order of a county officer charged with the administration of the Medical Assistance program of the county that made the medical assistance determination. The decision shall be final, but may be revoked or modified as altered conditions may require. The department shall deny a petition for a hearing or shall refuse to grant relief if:

SECTION 49. 49.45 (5) (b) 2. (intro.) of the statutes is amended to read:

49.45 (5) (b) 2. (intro.) If a recipient requests a hearing within the timely notice period specified in [42 CFR 431.231](#) (c), medical assistance coverage shall not be suspended, reduced, or discontinued until a decision is rendered after the hearing but medical assistance payments made pending the hearing decision may be recovered by the department if the contested decision or failure to act is upheld. If a county department is responsible for making made the medical assistance determination, the department shall notify the county department of the county in which the recipient resides that the recipient has requested a hearing. Medical assistance coverage shall be suspended, reduced, or discontinued if:

SECTION 50. 49.45 (19) (bm) of the statutes is amended to read:

49.45 (19) (bm) The department ~~or the county department~~ under s. 46.215 or 46.22 shall notify applicants of the requirements of this subsection at the time of application.

SECTION 51. 49.45 (34) of the statutes is amended to read:

49.45 (34) MEDICAL ASSISTANCE MANUAL. The department shall prepare a medical assistance manual that is clear, comprehensive and consistent with this subchapter and 42 USC 1396a to 1396u and shall, no later than July 1, 1992, provide the manual to counties for use by county employees who administer the medical assistance program.

SECTION 52. 49.46 (1) (a) 4. of the statutes is amended to read:

49.46 (1) (a) 4. Any person receiving benefits under s. 49.77 49.39 or federal Title XVI.

SECTION 53. 49.46 (1) (a) 4m. of the statutes is amended to read:

49.46 (1) (a) 4m. Any child for whom a payment is made under s. 49.775 49.395.

SECTION 54. 49.46 (1) (d) 4. of the statutes is amended to read:

49.46 (1) (d) 4. A child who meets the conditions under 42 USC 1396a (e) (3) shall be considered a recipient of benefits under s. 49.77 49.39 or federal Title XVI.

SECTION 55. 49.46 (1) (e) of the statutes is amended to read:

49.46 (1) (e) If an application under s. 49.47 (3) shows that the individual meets the income limits under s. 49.19 or meets the income and resource requirements under federal Title XVI or s. 49.77 49.39, or that the individual is an essential person, an accommodated person, or a patient in a public medical institution, the individual shall be granted the benefits enumerated under sub. (2) whether or not the individual requests or receives a grant of any of such aids.

SECTION 56. 49.465 (2) (a) of the statutes is amended to read:

49.465 (2) (a) If the woman applies for benefits under s. 49.46 or 49.47 within the time required under sub. (4), the day on which the department ~~or the county department~~ under s. ~~46.215, 46.22 or 46.23~~ determines whether the woman is eligible for benefits under s. 49.46 or 49.47.

SECTION 57. 49.47 (3) (b) of the statutes is amended to read:

49.47 (3) (b) The ~~agency~~ department shall promptly review the application and shall issue a certificate to the individual showing eligibility when eligibility has been established.

SECTION 58. 49.47 (4) (c) 1. of the statutes is amended to read:

49.47 (4) (c) 1. Except as provided in par. (am) and as limited by subd. 3., eligibility exists if income does not exceed 133 1/3% of the maximum aid to families with dependent children payment under s. 49.19 (11) for the applicant's family size or the combined benefit amount available under supplemental security income under [42 USC 1381 to 1383c](#) and state supplemental aid under s. ~~49.77~~ [49.39](#), whichever is higher. In this subdivision "income" includes earned or unearned income that would be included in determining eligibility for the individual or family under s. 49.19 or ~~49.77~~ [49.39](#), or for the aged, blind or disabled under [42 USC 1381 to 1385](#). "Income" does not include earned or unearned income which would be excluded in determining eligibility for the individual or family under s. 49.19 or ~~49.77~~ [49.39](#), or for the aged, blind or disabled individual under [42 USC 1381 to 1385](#).

SECTION 59. 49.471 (5) (b) 3. a. of the statutes is amended to read:

49.471 (5) (b) 3. a. If the woman or child applies for benefits under sub. (4) within the time required under par. (d), the benefits specified in subd. 1. or 2., whichever is applicable, end on the day on which the department ~~or the county~~

department under s. 46.215, 46.22, or 46.23 determines whether the woman or child is eligible for benefits under sub. (4).

SECTION 60. 49.471 (7) (c) 4. of the statutes is amended to read:

49.471 (7) (c) 4. Not include in the calculation any income of an individual receiving benefits under s. ~~49.77~~ 49.39 or federal Title XVI.

SECTION 61. 49.472 (4) (a) 2. a. of the statutes is amended to read:

49.472 (4) (a) 2. a. A maintenance allowance established by the department by rule. The maintenance allowance may not be less than the sum of \$20, the federal supplemental security income payment level determined under 42 USC 1382 (b) and the state supplemental payment determined under s. ~~49.77 (2m)~~ 49.39 (2m).

SECTION 62. 49.473 (2) (intro.) of the statutes is amended to read:

49.473 (2) (intro.) A woman is eligible for medical assistance as provided under sub. (5) if, after applying to the department ~~or a county department~~, the department ~~or a county department~~ determines that she meets all of the following requirements:

SECTION 63. 49.473 (3) (intro.) of the statutes is amended to read:

49.473 (3) (intro.) Prior to applying to the department ~~or a county department~~ for medical assistance, a woman is eligible for medical assistance as provided under sub. (5) beginning on the date on which a qualified entity determines, on the basis of preliminary information, that the woman meets the requirements specified in sub. (2) and ending on one of the following dates:

SECTION 64. 49.473 (3) (a) of the statutes is amended to read:

49.473 (3) (a) If the woman applies to the department ~~or a county department~~ for medical assistance within the time limit required under sub. (4), the day on which the department ~~or county department~~ determines whether the woman meets the requirements under sub. (2).

SECTION 65. 49.473 (3) (b) of the statutes is amended to read:

49.473 (3) (b) If the woman does not apply to the department ~~or county~~ department for medical assistance within the time limit required under sub. (4), the last day of the month following the month in which the qualified entity determines that the woman is eligible for medical assistance.

SECTION 66. 49.473 (4) of the statutes is amended to read:

49.473 (4) A woman who a qualified entity determines under sub. (3) is eligible for medical assistance shall apply to the department ~~or county department~~ no later than the last day of the month following the month in which the qualified entity determines that the woman is eligible for medical assistance.

SECTION 67. 49.473 (6) (b) of the statutes is amended to read:

49.473 (6) (b) Inform the woman at the time of the determination that she is required to apply to the department ~~or a county department~~ for medical assistance no later than the last day of the month following the month in which the qualified entity determines that the woman is eligible for medical assistance.

SECTION 68. 49.496 (4) (a) of the statutes is renumbered 49.496 (4) and amended to read:

49.496 (4) The department may require a county department under s. 46.215, 46.22, or 46.23 or the governing body of a federally recognized American Indian tribe administering medical assistance to gather and provide the department with information needed to recover medical assistance under this section. ~~Except as provided in par. (b), the~~ The department shall pay to a county department or tribal governing body an amount equal to 5% of the recovery collected by the department relating to a beneficiary for whom the county department or tribal governing body made the last determination of medical assistance eligibility. A county department

or tribal governing body may use funds received under this ~~paragraph~~ subsection only to pay costs incurred under this ~~paragraph~~ subsection and, if any amount remains, to pay for improvements to functions required under s. 49.78 (2). The department may withhold payments under this ~~paragraph~~ subsection for failure to comply with the department's requirements under this ~~paragraph~~ subsection. The department shall treat payments made under this ~~paragraph~~ subsection as costs of administration of the Medical Assistance program.

SECTION 69. 49.496 (4) (b) of the statutes is repealed.

SECTION 70. 49.496 (5) of the statutes is amended to read:

49.496 (5) USE OF FUNDS. From the appropriation under s. 20.435 (4) (im), the department shall pay the amount of the payments under sub. (4) (a) that is not paid from federal funds, shall pay to the federal government the amount of the funds recovered under this section equal to the amount of federal funds used to pay the benefits recovered under this section, and shall spend the remainder of the funds recovered under this section for medical assistance benefits under this subchapter.

SECTION 71. 49.497 (1) (b) of the statutes is amended to read:

49.497 (1) (b) The department's right of recovery is against any Medical Assistance or Badger Care recipient to whom or on whose behalf the incorrect payment was made. The extent of recovery is limited to the amount of the benefits incorrectly granted. ~~The county department under s. 46.215 or 46.22 or the governing body of a federally recognized American Indian tribe administering Medical Assistance or Badger Care shall~~ may begin recovery actions on behalf of the department according to rules promulgated by the department.

SECTION 72. 49.497 (2) (a) of the statutes is renumbered 49.497 (2) and amended to read:

49.497 (2) ~~Except as provided in par. (b), a~~ A county or governing body of a federally recognized American Indian tribe may retain 15% of benefits provided under this subchapter or s. 49.665 that are recovered under this section due to the efforts of an employee or officer of the county or tribe.

SECTION 73. 49.497 (2) (b) of the statutes is repealed.

SECTION 74. 49.77 of the statutes is renumbered 49.39, and 49.39 (6), as renumbered, is amended to read:

49.39 (6) **AUTHORITY TO ADMINISTER; RULES.** The department shall administer this section and s. ~~49.775~~ 49.395, and may promulgate rules to guide the administration of eligibility determinations and benefits payments.

SECTION 75. 49.775 of the statutes is renumbered 49.395, and 49.395 (2) (a), (b), (bm) and (e) 1., as renumbered, are amended to read:

49.395 (2) (a) The custodial parent is a recipient of supplemental security income under [42 USC 1381 to 1383c](#) or of state supplemental payments under s. ~~49.77~~ 49.39, or both.

(b) If the dependent child has 2 custodial parents, each custodial parent receives supplemental security income under [42 USC 1381 to 1383c](#) or state supplemental payments under s. ~~49.77~~ 49.39, or both.

(bm) The custodial parent assigns to the state any right of the custodial parent or of the dependent child to support from any other person accruing during the time that any payment under this subsection is made to the custodial parent. No amount of support that begins to accrue after the individual ceases to receive payments under this section may be considered assigned to the state. Seventy-five percent of all money that is received by the department ~~of children and families~~ under an assignment to the state under this paragraph shall be paid to the custodial parent.

The department of ~~children and families~~ shall pay the federal share of support assigned under this paragraph as required under federal law or waiver.

(e) 1. The custodial parent is ineligible for aid under s. 49.19 solely because he or she receives supplemental security income under 42 USC 1381 to 1383c or state supplemental payments under s. ~~49.77~~ 49.39.

SECTION 76. 49.776 of the statutes is renumbered 49.396 and amended to read:

49.396 Payment of support arrears. If a custodial parent who formerly received payments under s. ~~49.775, 2009 stats., or s. 49.395~~ but who is no longer receiving payments under s. ~~49.775, 2009 stats., or s. 49.395~~ assigned to the state under s. ~~49.775 (2) (bm), 2009 stats., or s. 49.395 (2) (bm)~~ his or her right or the right of the dependent child to support from any other person, the department shall pay to the custodial parent all money in support arrears that is collected by the department after the custodial parent's receipt of payments under s. ~~49.775, 2009 stats., or s. 49.395~~ ceased and that accrued while the custodial parent was receiving those payments.

SECTION 77. 49.78 (1) (bm) of the statutes is created to read:

49.78 (1) (bm) "Income maintenance worker" means a person employed by or under a contract with the department or a tribal governing body whose duties include determining eligibility for income maintenance programs.

SECTION 78. 49.78 (1) (f) of the statutes is created to read:

49.78 (1) (f) "Unit" means the income maintenance administration unit.

SECTION 79. 49.78 (1m) (intro.) of the statutes, as created by 2011 Wisconsin Act (this act), is amended to read:

49.78 (1m) (intro.) The department shall establish an income maintenance administration unit under s. 15.02 (3) (c) 3. to administer income maintenance

programs in this state, ~~except as provided in s. 49.825 (2)~~. Administration of income maintenance programs includes the following:

SECTION 80. 49.78 (1m) of the statutes is created to read:

49.78 (1m) ESTABLISHMENT OF UNIT. The department shall establish an income maintenance administration unit under s. 15.02 (3) (c) 3. to administer income maintenance programs in this state, except as provided in s. 49.825 (2). Administration of income maintenance programs includes the following:

- (a) Receiving applications.
- (b) Determining eligibility.
- (c) Conducting fraud investigation and fraud prevention activities.
- (d) Implementing error reduction procedures.
- (e) Recovering overpayments of benefits.

SECTION 81. 49.78 (1p) of the statutes is created to read:

49.78 (1p) INCOME MAINTENANCE ADMINISTRATION UNIT CONTRACTS. The department may contract with a public or private entity to provide the income maintenance administrative services described in sub. (1m). A contract to provide income maintenance administrative services under this section is exempt from subch. IV of ch. 16.

SECTION 82. 49.78 (1r) of the statutes is created to read:

49.78 (1r) ADMINISTRATION BY A TRIBAL GOVERNING BODY. A tribal governing body may administer income maintenance programs by electing to have the unit administer the tribe's income maintenance programs or by providing the required administrative services and entering into a contract with the department for reimbursement under sub. (2).

SECTION 83. 49.78 (2) of the statutes is amended to read:

49.78 (2) ~~CONTRACTS WITH A TRIBAL GOVERNING BODY.~~ Annually, for the income maintenance administrative program functions, if any, that the department delegates to a ~~county or tribal governing body, the department and county~~ department under s. 46.215, 46.22, or 46.23 shall enter into a contract, and the department and tribal governing body may enter into a contract, for reimbursement of the ~~county department or tribal governing body~~ for the reasonable cost of administering income maintenance programs.

SECTION 84. 49.78 (4) of the statutes is renumbered 49.19 (19g) (a) and amended to read:

49.19 (19g) (a) ~~RULES, MERIT SYSTEM.~~ The department of children and families shall promulgate rules for the efficient administration of aid to families with dependent children in agreement with the requirement for federal aid, including the establishment and maintenance of personnel standards on a merit basis. The provisions of this ~~section subsection~~ relating to personnel standards on a merit basis supersede any inconsistent provisions of any law relating to county personnel. This ~~subsection paragraph~~ shall not be construed to invalidate the provisions of s. 46.22 (1) (d).

SECTION 85. 49.78 (5) of the statutes is renumbered 49.19 (19g) (b) and amended to read:

49.19 (19g) (b) ~~PERSONNEL EXAMINATIONS.~~ Statewide examinations to ascertain qualifications of applicants in any county department administering aid to families with dependent children shall be given by the administrator of the division of merit recruitment and selection in the office of state employment relations. The office of state employment relations shall be reimbursed for actual expenditures incurred in the performance of its functions under this ~~section subsection~~ from the

appropriations available to the department of children and families for administrative expenditures.

SECTION 86. 49.78 (6) (title) of the statutes is repealed.

SECTION 87. 49.78 (6) of the statutes is renumbered 49.19 (19g) (c).

SECTION 88. 49.78 (7) of the statutes is renumbered 49.19 (19g) (d) and amended to read:

49.19 (19g) (d) ~~COUNTY PERSONNEL SYSTEMS.~~ Pursuant to rules promulgated under sub. (4) par. (a), the department of children and families where requested by the county shall delegate to that county, without restriction because of enumeration, any or all of the authority of the department of children and families under sub. (4) par. (a) to establish and maintain personnel standards including salary levels.

SECTION 89. 49.78 (8) (a) of the statutes is amended to read:

49.78 (8) (a) From the ~~appropriation accounts~~ appropriations under s. 20.435 (4) ~~(bn)~~ (bm) and (nn) and subject to par. (b), the department shall reimburse each county and tribal governing body that contracts with the department under sub. (2) for reasonable costs of administering the income maintenance programs, including conducting fraud prevention activities. The amount of each reimbursement paid under this paragraph shall be calculated using a formula based on workload within the limits of available state and federal funds under s. 20.435 (4) ~~(bn)~~ (bm) and (nn) by contract under sub. (2). The amount of reimbursement calculated under this paragraph and par. (b) is in addition to any reimbursement provided to a county or tribal governing body for fraud and error reduction under s. 49.197 or 49.845.

SECTION 90. 49.78 (8) (b) of the statutes is amended to read:

49.78 (8) (b) The department may adjust the amounts determined under par. (a) for workload changes and computer network activities performed by a county or

tribal governing body and may reduce the amount of any reimbursement if federal reimbursement is withheld due to audits, quality control samples, or program reviews.

SECTION 91. 49.78 (10) (title) of the statutes is amended to read:

49.78 (10) (title) ~~COUNTY~~ TRIBAL GOVERNING BODY CERTIFICATION.

SECTION 92. 49.78 (10) (a) of the statutes is amended to read:

49.78 (10) (a) ~~Each county treasurer and director of a county department under s. 46.215, 46.22, or 46.23 that contracts with the department under sub. (2) and each~~ Each tribal governing body that contracts with the department under sub. (2) shall certify monthly under oath to the department in such manner as the department prescribes the claim of the ~~county or~~ tribal governing body for state reimbursement under sub. (8) (a). The department shall review each claim of reimbursement and, if the department approves the claim, the department shall certify to the department of administration for reimbursement to the ~~county or~~ tribal governing body for amounts due under sub. (8) (a) and payment claimed to be made to the ~~counties or~~ tribal governing bodies monthly. The department may make advance payments prior to the beginning of each month equal to one-twelfth of the contracted amount.

SECTION 93. 49.78 (10) (b) of the statutes is amended to read:

49.78 (10) (b) To facilitate prompt reimbursement, the certificate of the department may be based on the certified statements of the ~~county officers or~~ tribal governing body executives filed under par. (a). Funds recovered from audit adjustments from a prior fiscal year may be included in subsequent certifications only to pay ~~counties~~ tribal governing bodies owed funds as a result of any audit adjustment. By September 30 annually, the department shall submit a report to the

appropriate standing committees under s. 13.172 (3) on funds recovered and paid out during the previous calendar year as a result of audit adjustments.

SECTION 94. 49.785 (1) (intro.) of the statutes is amended to read:

49.785 (1) (intro.) Except as provided in sub. (1m) and subject to s. 49.825, if any recipient specified in sub. (1c) dies and the estate of the deceased recipient is insufficient to pay the funeral, burial, and cemetery expenses of the deceased recipient, the department or county or applicable tribal governing body or organization responsible for burial of the recipient shall pay, to the person designated by the department or county department under s. 46.215, 46.22, or 46.23 or applicable tribal governing body or organization responsible for the burial of the recipient, all of the following:

SECTION 95. 49.785 (1) (intro.) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

49.785 (1) (intro.) Except as provided in sub. (1m), if any recipient specified in sub. (1c) dies and the estate of the deceased recipient is insufficient to pay the funeral, burial, and cemetery expenses of the deceased recipient, the department or county or applicable tribal governing body or organization responsible for burial of the recipient shall pay, to the person designated by the department or county department under s. 46.215, 46.22, or 46.23 or applicable tribal governing body or organization responsible for the burial of the recipient, all of the following:

SECTION 96. 49.785 (1c) (a) of the statutes is amended to read:

49.785 (1c) (a) A recipient of benefits under s. 49.77, 2009 stats., or s. 49.148, 49.39, or 49.46, or 49.77, or under 42 USC 1381 to 1385 in effect on May 8, 1980.

SECTION 97. 49.785 (1m) (a) of the statutes is amended to read:

49.785 (1m) (a) If the total cemetery expenses for the recipient exceed \$3,500, the department ~~or county~~ or applicable tribal governing body or organization responsible for burial of the recipient is not required to make a payment for the cemetery expenses under sub. (1) (a).

SECTION 98. 49.785 (1m) (b) of the statutes is amended to read:

49.785 (1m) (b) If the total funeral and burial expenses for the recipient exceed \$4,500, the department ~~or county~~ or applicable tribal governing body or organization responsible for burial of the recipient is not required to make a payment for funeral and burial expenses under sub. (1) (b).

SECTION 99. 49.785 (1m) (c) of the statutes is amended to read:

49.785 (1m) (c) If a request for payment under sub. (1) is made more than 12 months after the death of the recipient, the department ~~or county~~ or applicable tribal governing body or organization responsible for burial of the recipient is not required to make a payment for cemetery, funeral, or burial expenses.

SECTION 100. 49.785 (2) of the statutes is amended to read:

49.785 (2) From the appropriation under s. 20.435 (4) ~~(bn)~~ (br), the department shall reimburse a county or applicable tribal governing body or organization for any amount that the county or applicable tribal governing body or organization is required to pay under sub. (1) if the county or applicable tribal governing body or organization complies with sub. (3). From the appropriation under s. 20.435 (4) ~~(bn)~~ (br), the department shall reimburse a county or applicable tribal governing body or organization for cemetery expenses or for funeral and burial expenses for a person described under sub. (1) that the county or applicable tribal governing body or organization is not required to pay under subs. (1) and (1m) only if the department

approves the reimbursement due to unusual circumstances and if the county or applicable tribal governing body or organization complies with sub. (3).

SECTION 101. 49.785 (2) of the statutes, as affected by 2011 Wisconsin Act ... (this act), is amended to read:

49.785 (2) From the appropriation under s. 20.435 (4) (br), the department shall reimburse ~~a county or~~ an applicable tribal governing body or organization for any amount that the ~~county or applicable~~ tribal governing body or organization is required to pay under sub. (1) if the ~~county or applicable~~ tribal governing body or organization complies with sub. (3). From the appropriation under s. 20.435 (4) (br), the department shall reimburse ~~a county or~~ an applicable tribal governing body or organization for cemetery expenses or for funeral and burial expenses for a person described under sub. (1) that the ~~county or applicable~~ tribal governing body or organization is not required to pay under subs. (1) and (1m) only if the department approves the reimbursement due to unusual circumstances and if the ~~county or applicable~~ tribal governing body or organization complies with sub. (3).

SECTION 102. 49.785 (3) (intro.) of the statutes is amended to read:

49.785 (3) (intro.) As a condition for reimbursement under sub. (2) for amounts paid on behalf of a deceased recipient, ~~a county or~~ an applicable tribal governing body or organization shall provide to the department all of the following information with respect to the deceased recipient:

SECTION 103. 49.785 (3) (c) of the statutes is amended to read:

49.785 (3) (c) The total amount of each of the expenses under pars. (a) and (b) that the ~~county or~~ tribal governing body or organization paid on behalf of the deceased recipient.

SECTION 104. 49.79 (3) (a) of the statutes is amended to read:

49.79 (3) (a) A ~~county or~~ federally recognized American Indian tribe is liable for all food stamp coupons lost, misappropriated, or destroyed while under the ~~county's or tribe's~~ direct control, except as provided in par. (b).

SECTION 105. 49.79 (3) (b) of the statutes is amended to read:

49.79 (3) (b) A ~~county or~~ federally recognized American Indian tribe is not liable for food stamp coupons lost in natural disasters if it provides evidence acceptable to the department that the coupons were destroyed and not redeemed.

SECTION 106. 49.79 (3) (c) of the statutes is amended to read:

49.79 (3) (c) A ~~county or~~ federally recognized American Indian tribe is liable for food stamp coupons mailed to residents of the ~~county or~~ members of the tribe and lost in the mail due to incorrect information submitted to the department by the ~~county or~~ tribe.

SECTION 107. 49.79 (4) of the statutes is amended to read:

49.79 (4) DEDUCTIONS FROM COUNTY INCOME MAINTENANCE PAYMENTS. The department shall withhold the value of food stamp losses for which a ~~county or~~ federally recognized American Indian tribe is liable under sub. (3) from the payment to the ~~county or~~ tribe under income maintenance contracts under s. 49.78 and reimburse the federal government from the funds withheld.

SECTION 108. 49.79 (9) (a) 1. of the statutes is amended to read:

49.79 (9) (a) 1. The department shall administer an employment and training program for recipients under the food stamp program and may contract under s. 49.78 ~~with county departments under ss. 46.215, 46.22, and 46.23,~~ and with tribal governing bodies to carry out the administrative functions. The department may contract, or a ~~county department or~~ tribal governing body may subcontract, with a Wisconsin Works agency or another provider to administer the employment and

training program under this subsection. Except as provided in subds. 2. and 3., the department may require able individuals who are 18 to 60 years of age who are not participants in a Wisconsin Works employment position to participate in the employment and training program under this subsection.

SECTION 109. 49.793 (1) of the statutes is amended to read:

49.793 (1) The department ~~or a county~~ or an elected governing body of a federally recognized American Indian tribe or band acting on behalf of the department, may recover overpayments that arise from an overissuance of food coupons under the food stamp program administered under s. ~~46.215 (1) (k) or 46.22 (1) (b) 2. d~~ 49.78. Recovery shall be made in accordance with 7 USC 2022.

SECTION 110. 49.793 (2) (a) of the statutes is renumbered 49.793 (2) and amended to read:

49.793 (2) ~~Except as provided in par. (b), a~~ A county or governing body of a federally recognized American Indian tribe may retain a portion of the amount of an overpayment the state is authorized to retain under 7 USC 2025 that is recovered under sub. (1) due to the efforts of an employee or officer of the county or tribe. The department shall promulgate a rule establishing the portion of the amount of the overpayment that the county or governing body may retain. This ~~paragraph~~ subsection does not apply to recovery of an overpayment that was made as a result of state, county, or tribal governing body error.

SECTION 111. 49.793 (2) (b) of the statutes is repealed.

SECTION 112. 49.795 (1) (e) 1. of the statutes is amended to read:

49.795 (1) (e) 1. An employee or officer of the federal government, the state, ~~a county~~ or a federally recognized American Indian tribe acting in the course of official duties in connection with the food stamp program.

SECTION 113

SECTION 113. 49.795 (1) (e) 2. of the statutes is amended to read:

49.795 (1) (e) 2. A person acting in the course of duties under a contract with the federal government, the state, ~~a county~~ or a federally recognized American Indian tribe in connection with the food stamp program.

SECTION 114. 49.795 (8) (d) 2. of the statutes is amended to read:

49.795 (8) (d) 2. The person may apply to the ~~county~~ department under ~~s. 46.215, 46.22 or 46.23~~ or the federally recognized American Indian tribal governing body or, if the person is a supplier, to the federal department of agriculture for reinstatement following the period of suspension, if the suspension is not permanent.

SECTION 115. 49.797 (8) of the statutes is amended to read:

49.797 (8) ~~COUNTY~~ TRIBAL GOVERNING BODY PARTICIPATION; EXCEPTION. The department may not require a ~~county~~ or tribal governing body to participate in an electronic benefit transfer system under this section if the costs to the ~~county~~ or tribal governing body would be greater than the costs that the ~~county~~ or tribal governing body would incur in delivering the benefits through a system that is not an electronic benefit transfer system.

SECTION 116. 49.825 of the statutes, as affected by 2011 Wisconsin Act (this act), is repealed.

SECTION 117. 49.825 (2) (a) 2. of the statutes is repealed.

SECTION 118. 49.83 of the statutes is amended to read:

49.83 Limitation on giving information. Except as provided under ss. 49.25 and 49.32 (9), (10), and (10m), no person may use or disclose information concerning applicants and recipients of relief funded by a relief block grant, aid to families with dependent children, Wisconsin Works under ss. 49.141 to 49.161, social services, child and spousal support and establishment of paternity and medical

support liability services under s. 49.22, or supplemental payments under s. 49.77, 2009 stats., or s. 49.39 for any purpose not connected with the administration of the programs, except that the department of children and families may disclose such information to the department of revenue for the sole purpose of administering state taxes. Any person violating this section may be fined not less than \$25 nor more than \$500 or imprisoned in the county jail not less than 10 days nor more than one year or both.

SECTION 119. 49.845 (1) of the statutes is amended to read:

49.845 (1) FRAUD INVESTIGATION. From the appropriations under s. 20.435 (4) (bn), (kz), (L), and (nn), the department of health services shall establish a program to investigate suspected fraudulent activity on the part of recipients of medical assistance under subch. IV, food stamp benefits under the food stamp program under 7 USC 2011 to 2036, ~~supplemental security income payments under s. 49.77,~~ ~~payments for the support of children of supplemental security income recipients under s. 49.775,~~ and health care benefits under the Badger Care health care program under s. 49.665 and, if the department of children and families contracts with the department of health services under sub. (4), on the part of recipients of aid to families with dependent children under s. 49.19, supplemental security income payments under s. 49.77, 2009 stats., or s. 49.39, payments for the support of children of supplemental security income recipients under s. 49.775, 2009 stats., or s. 49.395, and participants in the Wisconsin Works program under ss. 49.141 to 49.161. The activities of the department of health services under this subsection may include comparisons of information provided to the department by an applicant and information provided by the applicant to other federal, state, and local agencies, development of an advisory welfare investigation prosecution standard, and

provision of funds to county departments under ss. 46.215, 46.22, and 46.23 and to Wisconsin Works agencies to encourage activities to detect fraud. The department of health services shall cooperate with district attorneys regarding fraud prosecutions.

SECTION 120. 49.845 (2) of the statutes is amended to read:

49.845 (2) STATE ERROR REDUCTION ACTIVITIES. The department of health services shall conduct activities to reduce payment errors in the Medical Assistance program under subch. IV, the food stamp program under 7 USC 2011 to 2036, the ~~supplemental security income payments program under s. 49.77~~, the program providing payments for the support of children of supplemental security income recipients under s. 49.775, and the Badger Care health care program under s. 49.665 and, if the department of children and families contracts with the department of health services under sub. (4), in the supplemental security income payments program under s. 49.39, the program providing payments for the support of children of supplemental security income recipients under s. 49.395, and Wisconsin Works under ss. 49.141 to 49.161.

SECTION 121. 49.845 (4) (title) of the statutes is amended to read:

49.845 (4) (title) CONTRACT FOR WISCONSIN WORKS, SUPPLEMENTAL SECURITY INCOME, AND CARETAKER SUPPLEMENT.

SECTION 122. 49.845 (4) (a) 1. of the statutes is amended to read:

49.845 (4) (a) 1. Notwithstanding s. 49.197 (1m) and (3), the department of children and families may contract with the department of health services to investigate suspected fraudulent activity on the part of recipients of aid to families with dependent children under s. 49.19, recipients of supplemental security income payments under s. 49.39, recipients of payments for the support of children of

supplemental security income recipients under s. 49.395, and participants in Wisconsin Works under ss. 49.141 to 49.161 and to conduct activities to reduce payment errors in the supplemental security income payments program under s. 49.39, the program providing payments for the support of children of supplemental security income recipients under s. 49.395, and Wisconsin Works under ss. 49.141 to 49.161, as provided in this section. If any employee of the department of health services reasonably suspects that fraudulent activity as described in this subdivision has occurred or is occurring, the employee shall immediately report the facts and circumstances contributing to that suspicion to the employee's immediate supervisor.

SECTION 123. 49.847 (3) (a) of the statutes is renumbered 49.847 (3) and amended to read:

49.847 (3) Subject to ss. 49.497 (2) and 49.793 (2), ~~and except as provided in par. (b),~~ a county or elected governing body may retain a portion of an amount recovered under this section due to the efforts of an employee or officer of the county, tribe, or band, as provided by the department by rule.

SECTION 124. 49.847 (3) (b) of the statutes is repealed.

SECTION 125. 49.89 (7) (a) of the statutes is amended to read:

49.89 (7) (a) ~~Except as provided in par. (f), any~~ Any county or elected tribal governing body that has made a recovery under this section shall receive an incentive payment from the sum recovered as provided under this subsection.

SECTION 126. 49.89 (7) (bm) of the statutes is amended to read:

49.89 (7) (bm) The incentive payment shall be an amount equal to 15% of the amount recovered because of benefits paid as state supplemental payments under

s. 49.77, 2009 stats., or s. 49.39. The incentive payment shall be taken from the state share of the sum recovered.

SECTION 127. 49.89 (7) (f) of the statutes is repealed.

SECTION 128. 49.90 (1) (b) of the statutes is amended to read:

49.90 (1) (b) For purposes of this section those persons receiving benefits under federal Title XVI or under s. ~~49.77~~ 49.39 shall not be deemed dependent persons.

SECTION 129. 49.96 of the statutes is amended to read:

49.96 Assistance grants exempt from levy. All grants of aid to families with dependent children, payments made under ss. 48.57 (3m) or (3n), 49.148 (1) (b) 1. or (c) or (1m) or 49.149 to 49.159, payments made for social services, cash benefits paid by counties under s. 59.53 (21), and benefits under s. ~~49.77~~ 49.39 or federal Title XVI, are exempt from every tax, and from execution, garnishment, attachment and every other process and shall be inalienable.

SECTION 130. 50.03 (14) (b) of the statutes is amended to read:

50.03 (14) (b) The county departments of the county in which the facility is located that are responsible for providing services under s. 46.215 (1) (L), ~~46.22 (1) (b) 1. c.~~ 46.22 (1) (b) 2. h., 51.42 or 51.437 shall participate in the development and implementation of individual relocation plans. Any county department of another county shall participate in the development and implementation of individual relocation plans in place of the county departments of the county in which the facility is located, if the county department accepts responsibility for the resident or is delegated responsibility for the resident by the department or by a court.

SECTION 131. 50.037 (3) of the statutes is amended to read:

50.037 (3) EXEMPTION. Community-based residential facilities where the total monthly charges for each resident do not exceed the monthly state supplemental

payment rate under s. ~~49.77 (3s)~~ 49.39 (3s) that is in effect at the time the fee under sub. (2) is assessed are exempt from this section.

SECTION 132. 59.22 (2) (c) 2. of the statutes is amended to read:

59.22 (2) (c) 2. No action of the board may be contrary to or in derogation of the rules of the department of children and families under s. ~~49.78 (4) to (7)~~ 49.19 (19g) relating to employees administering old-age assistance, aid to families with dependent children, aid to the blind, or aid to totally and permanently disabled persons or ss. 63.01 to 63.17.

SECTION 133. 63.03 (2) (r) of the statutes is amended to read:

63.03 (2) (r) All staff performing services for the Milwaukee County enrollment services unit under s. ~~49.825~~ or for the child care provider services unit under s. 49.826.

SECTION 134. 111.70 (1) (a) of the statutes, as affected by 2011 Wisconsin Act (this act), is amended to read:

111.70 (1) (a) "Collective bargaining" means the performance of the mutual obligation of a municipal employer, through its officers and agents, and the representative of its municipal employees in a collective bargaining unit, to meet and confer at reasonable times, in good faith, with the intention of reaching an agreement, or to resolve questions arising under such an agreement, with respect to wages, hours, and conditions of employment, and with respect to a requirement of the municipal employer for a municipal employee to perform law enforcement and fire fighting services under s. 60.553, 61.66, or 62.13 (2e) and for a school district with respect to any matter under sub. (4) (n) and (o), except as provided in subs. ~~(3m)~~, (3p), and (4) (m) and (mc) and s. 40.81 (3) and except that a municipal employer shall not meet and confer with respect to any proposal to diminish or abridge the rights

guaranteed to municipal employees under ch. 164. The duty to bargain, however, does not compel either party to agree to a proposal or require the making of a concession. Collective bargaining includes the reduction of any agreement reached to a written and signed document. The municipal employer shall not be required to bargain on subjects reserved to management and direction of the governmental unit except insofar as the manner of exercise of such functions affects the wages, hours, and conditions of employment of the municipal employees in a collective bargaining unit. In creating this subchapter the legislature recognizes that the municipal employer must exercise its powers and responsibilities to act for the government and good order of the jurisdiction which it serves, its commercial benefit and the health, safety, and welfare of the public to assure orderly operations and functions within its jurisdiction, subject to those rights secured to municipal employees by the constitutions of this state and of the United States and by this subchapter.

****NOTE: This is reconciled s. 111.70 (1) (a). This SECTION has been affected by drafts with the following LRB numbers: 1019/4 and 1356/1.

SECTION 135. 111.70 (3m) of the statutes is repealed.

SECTION 136. 230.44 (1) (h) of the statutes is repealed.

SECTION 137. 767.521 (intro.) of the statutes is amended to read:

767.521 Action by state for child support. (intro.) The state or its delegate under s. 49.22 (7) shall bring an action for support of a minor child under s. 767.001 (1) (f) or for paternity determination and child support under s. 767.80 if the child's right to support is assigned to the state under s. 49.775 (2) (bm), 2009 stats., or s. 48.57 (3m) (b) 2. or (3n) (b) 2., 48.645 (3), 49.145 (2) (s), 49.19 (4) (h) 1. b., or 49.775 49.395 (2) (bm) and all of the following apply:

SECTION 9121. Nonstatutory provisions; Health Services.

(1) TRANSFER OF INCOME MAINTENANCE ADMINISTRATION TO INCOME MAINTENANCE ADMINISTRATION UNIT.

(a) *Definitions.* In this subsection:

1. "County" means a county administering income maintenance programs, as defined in section 49.78 (1) (b) of the statutes on the effective date of this subdivision.

2. "Department" means the department of health services.

3. "Income maintenance programs" has the meaning given in section 49.78 (1) (b) of the statutes.

4. "Unit" has the meaning given in section 49.78 (1) (f) of the statutes, as created by this act.

(b) *Transition Plan.* On the effective date of this paragraph, the department shall begin to transition the administration of the income maintenance programs from counties to the unit. The department shall develop a transition plan that includes a deadline by which each county must transfer to the department all records in the possession of the county that are related to the administration of income maintenance programs.

(c) *Delegation of administrative functions to counties.* Notwithstanding section 49.78 of the statutes, as affected by this act, before May 1, 2012, the department may delegate some or all of the administrative functions related to income maintenance programs to counties, on a county by county basis. If the department delegates administrative functions related to income maintenance programs to a county, the county shall continue to perform the delegated administrative functions until the department notifies the county that the unit is prepared to assume responsibility for the administrative functions. The department and a county to which the department delegates administrative functions related to income maintenance programs shall

enter into a contract relating to the county's administrative functions and reimbursement for the reasonable costs of performing those administrative functions. Reimbursements to counties that continue to administer income maintenance programs shall be considered costs incurred by the unit to administer income maintenance programs.

(2) **ELIMINATION OF MILWAUKEE COUNTY ENROLLMENT SERVICES UNIT.**

(a) *Date of transfer to unit.* The department of health services shall determine when the income maintenance administration unit established under section 49.78 (1m) of the statutes, as created by this act, is prepared to take over income maintenance administration responsibilities in Milwaukee County and shall notify the legislative reference bureau of that date. The legislative reference bureau shall publish a notice in the Wisconsin Administrative Register that specifies that date.

(b) *Unreimbursed expenditure.* In the calendar year in which the income maintenance program administration unit takes over income maintenance program administration responsibilities in Milwaukee County, Milwaukee County's unreimbursed required minimum expenditure under section 49.825 (2) (d) 2. of the statutes shall be prorated on the basis of the length of time the Milwaukee County enrollment services unit administers the programs under section 49.825 (2) (a) 1. of the statutes.

SECTION 9421. Effective dates; Health Services.

(1) **ELIMINATION OF THE MILWAUKEE COUNTY ENROLLMENT SERVICES UNIT.** The treatment of sections 20.435 (4) (bm) (by SECTION 3), (im), and (L), 40.02 (25) (b) 2c., 40.22 (2) (m), 40.62 (2) (by SECTION 17), 46.215 (1) (intro.) (by SECTION 20), 49.155 (1) (ah), 49.197 (2) (cm), 49.496 (4) (a) and (b) and (5), 49.497 (2) (a) and (b), 49.78 (1m) (intro.) (by SECTION 79), 49.785 (1) (intro.) (by SECTION 94) 49.793 (2) (a) (by SECTION

110) and (b) (by SECTION 111), 49.825 (by SECTION 116), 49.847 (3) (a) (by SECTION 123) and (b) (by SECTION 124), 49.89 (7) (a) and (f), 63.03 (2) (r), 111.70 (1) (a) (by SECTION 134) and (3m), and 230.44 (1) (h) of the statutes takes effect on the date specified in the notice published in the Wisconsin Administrative Register under SECTION 9121 (2) (a) of this act, or on May 1, 2012, whichever is earlier.

***NOTE: This is reconciled SECTION 9421 (1). This SECTION has been affected by drafts with the following LRB numbers: 1019/4, 1187/P4, 1356/1, and 1465/P3.

(2) ADMINISTRATION OF THE FUNERAL EXPENSES PROGRAM. The treatment of sections 20.435 (4) (bm) (by SECTION 4), 49.19 (5) (d), and 49.785 (1) (intro.) (by SECTION 95), (1m) (a), (b), and (c), (2) (by SECTION 101), and (3) (intro.) and (c) of the statutes takes effect on May 1, 2012.

(3) TRANSFER FOOD STAMP PROGRAM TO DEPARTMENT OF CHILDREN AND FAMILIES. The treatment of section 20.435 (4) (bm) (by SECTION 5) of the statutes takes effect on January 1, 2013.

***NOTE: This is reconciled SECTION 9421 (3). This SECTION has been affected by drafts with the following LRB numbers: 1019/4 and 1195/1.

(END)