



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-0537/P1  
TJD:amn

DOA:.....Bollhorst, BB0132 - Hospital access payments

**FOR 2021-2023 BUDGET -- NOT READY FOR INTRODUCTION**

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

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**MEDICAL ASSISTANCE**

***Hospital assessment***

Currently, each hospital, including each critical access hospital, must pay an assessment for the privilege of doing business in Wisconsin. The percentage of gross patient revenues that each hospital must pay is adjusted so that the total amount of assessments collected for all hospitals that are not critical access hospitals totals \$414,507,300 in each state fiscal year. The same percentage of gross patient revenues is also assessed on critical access hospitals, though the amount is collected separately from and deposited into a separate fund from that of other hospitals. Current law requires DHS to use a portion of this total to pay for services provided by hospitals under the Medical Assistance program, including the federal and state share of Medical Assistance, in a total amount that equals the amount collected from hospitals divided by 61.68 percent. Similarly, current law requires DHS to use a portion of the amount collected from critical access hospitals to make payments to critical access hospitals for Medical Assistance services in a total amount that equals the amount collected from critical access hospitals divided by 61.68 percent. This bill decreases the 61.68 percent to 53.69 percent if the state adopts the Medicaid expansion, thus increasing the amount of payments that must be made to critical

access hospitals and other hospitals under the Medical Assistance program. The Medicaid expansion, as authorized under the Patient Protection and Affordable Care Act, allows a state to provide benefits under the Medicaid program to individuals who have an income up to 133 percent of the federal poverty line and who were previously ineligible for Medicaid, and in exchange, the Affordable Care Act then provides that the federal government pays an increased percentage of the cost of the benefits for those newly eligible individuals.

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

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

**SECTION 1.** 49.45 (3) (e) 11. of the statutes is amended to read:

49.45 (3) (e) 11. The department shall use a portion of the moneys collected under s. 50.38 (2) (a) to pay for services provided by eligible hospitals, as defined in s. 50.38 (1), other than critical access hospitals, under the Medical Assistance Program under this subchapter, including services reimbursed on a fee-for-service basis and services provided under a managed care system. For state fiscal year 2008-09, total payments required under this subdivision, including both the federal and state share of Medical Assistance, shall equal the amount collected under s. 50.38 (2) (a) for fiscal year 2008-09 divided by 57.75 percent. For each state fiscal year after state fiscal year 2008-09, total payments required under this subdivision, including both the federal and state share of Medical Assistance, shall equal the amount collected under s. 50.38 (2) (a) for the fiscal year divided by 61.68 percent, except that if the department has expanded eligibility under section 2001 (a) (1) (C) of the Patient Protection and Affordable Care Act, P.L. 111-148, for the Medical Assistance program under this subchapter, the amount collected for the fiscal year shall be divided by 53.69 percent.

**SECTION 2.** 49.45 (3) (e) 12. of the statutes is amended to read:

49.45 (3) (e) 12. The department shall use a portion of the moneys collected under s. 50.38 (2) (b) to pay for services provided by critical access hospitals under the Medical Assistance Program under this subchapter, including services reimbursed on a fee-for-service basis and services provided under a managed care system. For each state fiscal year, total payments required under this subdivision, including both the federal and state share of Medical Assistance, shall equal the amount collected under s. 50.38 (2) (b) for the fiscal year divided by 61.68 percent, except that if the department has expanded eligibility under section 2001 (a) (1) (C) of the Patient Protection and Affordable Care Act, P.L. 111-148, for the Medical Assistance program under this subchapter, the amount collected for the fiscal year shall be divided by 53.69 percent.

(END)