



2005 ASSEMBLY BILL 438

May 24, 2005 – Introduced by Representative KAUFERT, cosponsored by Senator S. FITZGERALD. Referred to Joint Committee on Finance.

1 **AN ACT** *to amend* 20.435 (4) (b); *to create* 25.77 (7) of the statutes; and *to affect*
2 2003 Wisconsin Act 100, section 1 (1) (a); **relating to:** increasing funding for
3 the Department of Corrections and the University of Wisconsin System for
4 energy-related and utility-related expenses; the Senior Care Program;
5 transferring moneys from the general fund to the Medical Assistance trust
6 fund; supplemental Medical Assistance payments to nursing homes; general
7 fund statutory balance; and making appropriations.

Analysis by the Legislative Reference Bureau

CORRECTIONAL SYSTEM

This bill increases the amount of money appropriated to the Department of Corrections for energy-related and utility-related expenses for the 2004-05 fiscal year.

EDUCATION

This bill increases the University of Wisconsin System energy costs appropriation by \$22,500,000 for the 2004-05 fiscal year.

HEALTH AND FAMILY SERVICES

Under current law, under the jointly funded federal-state program known as "Senior Care," state residents aged at least 65 years may, after paying an annual

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enrollment fee and an annual deductible that is based on income, purchase prescription generic drugs for a copayment of \$5 and prescription nongeneric drugs for a copayment of \$15.

This bill increases a general purpose revenue appropriation account for the Senior Care Program by \$2,000,000 for fiscal year 2004-05.

Under current law, the Medical Assistance (MA) trust fund is a segregated fund into which must be deposited federal moneys paid as the result of certain intergovernmental transfers, public funds used as the basis for the intergovernmental transfers, a portion of moneys received from annual assessments imposed by the Department of Health and Family Services (DHFS) on nursing homes and intermediate care facilities for the mentally retarded and, under 2003 Wisconsin Act 129, an amount of money from the general fund. Appropriations from the MA trust fund are authorized to meet costs of reimbursing MA health care provider reimbursement, administrative costs associated with augmenting intergovernmental transfers, nursing home MA reimbursement, supplemental MA payments to county nursing homes and certain care management organizations, and reimbursement to counties for providing public money as the basis for intergovernmental transfers.

This bill transfers \$75,000,000 from the general fund to the MA trust fund.

Under current law, in the fiscal biennium 2003-2005, DHFS must under certain criteria distribute from the MA trust fund any federal MA moneys received as the result of intergovernmental transfers, if the moneys were not anticipated and budgeted as revenue under 2003 Wisconsin Act 33 (the 2003-05 biennial budget act), to reduce any operating deficits incurred by nursing homes owned or operated by counties, cities, villages, or towns.

This bill requires DHFS in fiscal year 2004-05 to distribute, both from the MA trust fund and from an MA appropriation account of general purpose revenues, for reduction of operating deficits of publicly owned or operated nursing homes, an amount equal to any unanticipated federal MA moneys received as the result of intergovernmental transfers.

STATE GOVERNMENT

Current statutes contain a rule of proceeding that prohibits a structural imbalance in the general fund. This bill provides that this rule does not apply to the legislature in enacting this act.

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:

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1 20.435 (4) (b) *Medical Assistance program benefits*. Biennially, the amounts
2 in the schedule to provide a portion of the state share of Medical Assistance program
3 benefits administered under s. 49.45, to provide a portion of the Medical Assistance
4 program benefits administered under s. 49.45 that are not also provided under par.
5 (o), to fund the pilot project under s. 46.27 (9) and (10), to provide a portion of the
6 facility payments under 1999 Wisconsin Act 9, section 9123 (9m), to fund services
7 provided by resource centers under s. 46.283, and for services under the family care
8 benefit under s. 46.284 (5), and for reduction of any operating deficits as specified in
9 2005 Wisconsin Act (this act), section 3. Notwithstanding s. 20.002 (1), the
10 department may transfer from this appropriation account to the appropriation
11 account under sub. (7) (kb) funds in the amount of and for the purposes specified in
12 s. 46.485. Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may
13 credit or deposit into this appropriation account and may transfer between fiscal
14 years funds that it transfers from the appropriation account under sub. (7) (kb) for
15 the purposes specified in s. 46.485 (3r). Notwithstanding s. 20.002 (1), the
16 department may transfer from this appropriation account to the appropriation
17 account under sub. (7) (bd) funds in the amount and for the purposes specified in s.
18 49.45 (6v).

19 **SECTION 2.** 25.77 (7) of the statutes is created to read:

20 25.77 (7) All moneys transferred under 2005 Wisconsin Act (this act), section
21 9221 (2).

22 **SECTION 3.** 2003 Wisconsin Act 100, section 1 (1) (a) is amended to read:

23 [2003 Wisconsin Act 100] Section 1 (1) (a) Notwithstanding the limitation
24 under section 49.45 (6u) (am) (intro.) of the statutes on supplemental payments for
25 reduction of operating deficits incurred by nursing homes owned or operated by

ASSEMBLY BILL 438**SECTION 3**

1 counties, cities, villages, or towns, in fiscal years 2003-04 and 2004-05, the
2 department of health and family services shall from the appropriation accounts
3 under section 20.435 (4) (b) of the statutes, as affected by this act, and section 20.435
4 (4) (w) of the statutes distribute for this purpose, under criteria specified in section
5 49.45 (6u) (am) 1. to 7. of the statutes, any additional federal Medical Assistance
6 moneys received, based on the funds of counties, cities, villages, and towns that are
7 transferred to the Medical Assistance trust fund, certified under 42 CFR 433.51 (b),
8 reimbursed under section 20.435 (4) (wp) of the statutes, and used as the nonfederal
9 share of Medical Assistance funding, that were not anticipated and budgeted as
10 revenue under 2003 Wisconsin Act 33.

SECTION 9130. Nonstatutory provisions; legislature.

11
12 (1) EXEMPTION FROM CERTAIN LEGISLATIVE RULES OF PROCEEDINGS. Section 20.003
13 (4m) of the statutes shall not apply to the actions of the legislature in enacting this
14 act.

SECTION 9209. Appropriation changes; corrections.

15
16 (1) ENERGY COSTS. In the schedule under section 20.005 (3) of the statutes for
17 the appropriation to the department of corrections under section 20.410 (1) (f) of the
18 statutes, as affected by the acts of 2005, the dollar amount is increased by \$7,300,000
19 for fiscal year 2004-05 to increase funding for the purposes for which the
20 appropriation is made.

SECTION 9221. Appropriation changes; health and family services.

21
22 (1) SENIOR CARE PROGRAM. In the schedule under section 20.005 (3) of the
23 statutes for the appropriation to the department of health and family services under
24 section 20.435 (4) (bv) of the statutes, as affected by the acts of 2005, the dollar

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1 amount is increased by \$2,000,000 for fiscal year 2004-05 for the purpose for which
2 the appropriation is made.

3 (2) TRANSFER TO MEDICAL ASSISTANCE TRUST FUND. There is transferred from the
4 general fund to the Medical Assistance trust fund \$75,000,000.

5 **SECTION 9252. Appropriation changes; University of Wisconsin**
6 **System.**

7 (1) ENERGY COSTS. In the schedule under section 20.005 (3) of the statutes for
8 the appropriation to the University of Wisconsin System under section 20.285 (1) (c)
9 of the statutes, as affected by the acts of 2005, the dollar amount is increased by
10 \$22,500,000 for fiscal year 2004-05 to increase the funding for the purposes for which
11 the appropriation is made.

12

(END)