HEALTH SERVICES

Budget Summary						FTE Position Summary				
	2018-19	Governor		2019-21 Change Over Base Year Doubled			Governor		2020-21 Over 2018-19	
Fund	Adjusted Base	2019-20	2020-21	Amount	%	2018-19	2019-20	2020-21	Number	%
GPR	$4,011,431,100	$4,048,160,700	$4,303,892,100	$329,190,600	4.1%	2,561.71	2,628.47	2,664.97	103.26	4.0%
FED	6,270,127,800	7,237,630,800	7,449,979,200	2,147,354,400	17.1	1,260.95	1,261.49	1,259.99	- 0.96	- 0.1
PR	1,421,105,500	1,453,172,200	1,543,682,300	154,643,500	5.4	2,360.23	2,399.47	2,449.97	89.74	3.8
SEG	579,941,900	584,762,200	581,981,500	6,859,900	0.6	2.00	2.00	2.00	0.00	0.0
TOTAL	$12,282,606,300	$13,323,725,900	$13,879,535,100	$2,638,048,400	10.7%	6,184.89	6,291.43	6,376.93	192.04	3.1%

Budget Change Items

Medical Assistance

1. OVERVIEW OF MEDICAL ASSISTANCE FUNDING AND ENROLLMENT

This item presents several summary tables relating to the funding that would be provided for medical assistance (MA) benefits under the bill.

The MA program is supported by general purpose revenue (GPR), federal Medicaid matching funds (FED), three segregated funds (the MA trust fund, the hospital assessment trust fund, the critical access hospital assessment trust fund), and various program revenue (PR) sources, such as drug manufacturer rebates.

Table 1 shows, by year and fund source, the total amounts that would be budgeted for MA benefits for each year of the 2019-21 biennium, compared to the base level funding for the program. The cost-to-continue item reflects the Department's estimates of MA costs in the 2019-21 biennium with no programmatic changes to benefits or eligibility. The other listed items increase or decrease funding for one or more MA funding sources to reflect program changes. These items are grouped as eligibility changes, provider payment changes (generally rate changes), and program benefit changes.

TABLE 1

Summary of MA Benefits Funding
2019-20

	GPR	FED	PR	SEG	Total
Base Funding	$3,105,434,200	$5,549,940,600	$1,018,685,500	$579,630,900	$10,253,691,200
Cost-to-Continue					
MA Benefits	$88,654,800	$112,358,400	-$13,905,700	$4,793,800	$191,901,300
CLTS -- County Estimate	0	0	6,000,000	0	6,000,000
Eligibility Changes					
Full Medicaid Expansion	-$159,473,300	$524,021,200	$0	$0	$364,547,900
Post-partum Eligibility	0	0	0	0	0
Provider Payment Changes					
Disp. Share Hospital Payments	$29,000,000	$42,428,600	$0	$0	$71,428,600
Hospital Access Payments	-7,400,000	107,400,000	0	0	100,000,000
Pediatric Hospital Supplement	1,407,000	8,593,000	0	0	10,000,000
Critical Access Hospital Payments	-300,000	1,800,000	0	0	1,500,000
Physician and Behavioral Services	8,732,800	13,739,100	0	0	22,471,900
Dental Access Incentives	7,894,700	10,396,200	0	0	18,290,900
Nursing Home Reimbursement	3,525,900	5,150,300	0	0	8,676,200
Family Care -- Direct Care	6,000,000	8,763,800	0	0	14,763,800
Personal Care Rates	1,352,100	1,978,200	0	0	3,330,300
Dental Services/Disabilities	812,000	1,188,000	0	0	2,000,000
Rural Critical Care Supplement.	250,000	365,800	0	0	615,800
Behavioral Health Technology Incentives	0	0	0	0	0
Benefit Changes					
Community Health Benefit	$0	$0	$0	$0	$0
Crisis Intervention Services	6,960,700	2,249,400	0	0	9,210,100
Prescription Drug Copayment	2,454,300	3,590,700	0	0	6,045,000
Telehealth Expansion	1,088,200	1,592,900	0	0	2,681,100
Blood-Lead Testing	1,422,800	2,077,300	0	0	3,500,100
Children's Long-Term Support Waiver	687,800	1,402,500	0	0	2,090,300
Doula Services	0	0	0	0	0
Clinical Consultations	101,500	148,500	0	0	250,000
Hub-and-Spoke Medical Home	0	0	0	0	0
Total Change to Base	**-$6,828,700**	**$849,243,900**	**-$7,905,700**	**$4,793,800**	**$839,303,300**
2019-20 Total Funding	**$3,098,605,500**	**$6,399,184,500**	**$1,010,779,800**	**$584,424,700**	**$11,092,994,500**

TABLE 1 (continued)

Summary of MA Benefits Funding
2020-21

	GPR	FED	PR	SEG	Total
Base Funding	$3,105,434,200	$5,549,940,600	$1,018,685,500	$579,630,900	$10,253,691,200
Cost-to-Continue					
MA Benefits	$264,007,200	$249,975,200	$68,345,200	$2,012,700	$584,340,300
CLTS -- County Estimate	0	0	6,000,000	0	6,000,000
Eligibility Changes					
Full Medicaid Expansion	-$165,011,600	$541,225,300	$0	$0	$376,213,700
Post-partum Eligibility	9,609,600	13,270,400	0	0	22,880,000
Provider Payment Changes					
Disp. Share Hospital Payments	$29,000,000	$42,428,600	$0	$0	$71,428,600
Hospital Access Payments	-7,400,000	107,400,000	0	0	100,000,000
Pediatric Hospital Supplement	2,557,000	7,443,000	0	0	10,000,000
Critical Access Hospital Payments	-300,000	1,800,000	0	0	1,500,000
Physician and Behavioral Services	18,217,800	28,424,700	0	0	46,642,500
Dental Access Incentives	8,789,800	11,739,000	0	0	20,528,800
Nursing Home Reimbursement	7,216,600	10,541,200	0	0	17,757,800
Family Care -- Direct Care	6,000,000	8,760,100	0	0	14,760,100
Personal Care Rates	5,449,100	7,972,300	0	0	13,421,400
Dental Services/Disabilities	1,218,000	1,782,000	0	0	3,000,000
Rural Critical Care Supplement	250,000	365,800	0	0	615,800
Behavioral Health Technology	2,000,000	2,000,000	0	0	4,000,000
Benefit Changes					
Community Health Benefit	$22,500,000	$22,500,000	$0	$0	$45,000,000
Crisis Intervention Services	18,420,300	9,627,600	0	0	28,047,900
Prescription Drug Copayment	2,454,300	3,590,700	0	0	6,045,000
Telehealth Expansion	1,692,900	2,477,700	0	0	4,170,600
Blood-Lead Testing	1,422,800	2,077,300	0	0	3,500,100
Children's Long-Term Supports	874,600	1,564,500	0	0	2,439,100
Doula Services	192,000	234,700	0	0	426,700
Clinical Consultations	101,500	148,500	0	0	250,000
Hub-and-Spoke Medical Home	89,900	808,900	0	0	898,800
Total Change to Base	**$229,351,800**	**$1,078,157,500**	**$74,345,200**	**$2,012,700**	**$1,383,867,200**
2020-21 Total Funding	**$3,334,786,000**	**$6,628,098,100**	**$1,093,030,700**	**$581,643,600**	**$11,637,558,400**

Table 2 shows the biennial changes to the program under the bill, shown in relationship to the 2018-19 appropriation base, doubled for the purposes of comparison.

TABLE 2

Biennial Summary of MA Benefits Funding

	GPR	FED	PR	SEG	Total
Base Doubled	$6,210,868,400	$11,099,881,200	$2,037,371,000	$1,159,261,800	$20,507,382,400
Cost-to-Continue	$352,662,000	$362,333,600	$54,439,500	$6,806,500	$776,241,600
Medicaid Expansion	-324,484,900	1,065,246,500	0	0	740,761,600
All Other Changes	194,346,000	499,821,300	12,000,000	0	706,167,300
Total Change to Base	$222,523,100	$1,927,401,400	$66,439,500	$6,806,500	$2,223,170,500
Total 2019-21 Funding	$6,433,391,500	$13,027,282,600	$2,103,810,500	$1,166,068,300	$22,730,552,900

Table 3 shows actual and projected average monthly enrollment by major eligibility group under the bill. For parents, childless adults, and pregnant women, the administration's baseline projection and the impact of projected eligibility changes are shown separately.

TABLE 3

Actual and Projected Monthly Average Enrollment by Group

	Actual	Projected	Bill	
	2017-18	2018-19	2019-20	2020-21
Elderly, Blind, Disabled MA				
Elderly	66,000	67,700	69,400	71,100
Disabled, Non-Elderly Adults	139,000	139,000	140,500	141,900
Disabled Children	31,500	32,900	33,500	33,600
EBD Total	236,500	239,600	243,400	246,600
BadgerCare Plus				
Children	462,000	453,600	447,800	443,400
Parents				
Baseline	162,800	154,400	149,700	146,800
Medicaid Expansion	0	0	55,000	52,300
Total Parents	162,800	154,400	204,700	199,100
Childless Adults				
Baseline	148,700	149,900	150,900	152,100
Medicaid Expansion	0	0	30,100	30,400
Total Childless Adults	148,700	149,900	181,000	182,500
Pregnant Women				
Baseline	20,500	19,900	19,500	19,300
Post-Partum Coverage	0	0	-	6,500
Total Pregnant Women	20,500	19,900	21,000	25,800
BadgerCare Plus Total	794,000	777,800	853,000	850,800
Other Full Benefit Groups				
Foster Children	20,300	20,800	21,300	21,900
Well Woman	600	500	500	500
Total Full Benefit MA	1,051,400	1,038,700	1,118,200	1,119,800
Partial Benefit Groups				
Family Planning Only	38,500	40,700	41,200	41,700
Medicare Cost Sharing	23,300	24,200	24,900	25,700
Total MA Enrollment	1,113,200	1,103,600	1,184,300	1,187,200

Table 4 shows actual and projected SEG revenues to the MA trust fund (MATF) under the bill. MATF revenues are used for the nonfederal share of MA benefits, offsetting an equal amount of GPR. Revenues are expected to decline during the 2019-21 biennium due to a decrease in the federal matching rate for the children's health insurance program (CHIP) from 94.5% in 2018-19 to 85.9% in 2019-20 and to 74.4% in 2020-21. With this decrease, the amount of hospital assessment funding needed to make hospital access payments will increase to offset a decrease in federal CHIP funds, thus reducing the amount of assessment revenue available for transfer to the MA trust fund. This reduction in revenues would be partially offset by a proposal, included in the bill, to make hospital access payments and critical access hospital payments on behalf of childless adults, which, in combination with full Medicaid expansion, would allow a portion of those payments to be made using 90% federal matching funds, instead of the standard federal matching rate of approximately 59%. MA currently does not pay hospital access payments on behalf of childless adults.

TABLE 4

Actual and Projected Medical Assistance Trust Fund Revenues
Fiscal Years 2017-18 through 2020-21

	Actual	DHS Estimates		
	2017-18	2018-19	2019-20	2020-21
Provider Assessments				
Hospital Assessment*	$175,647,000	$164,527,000	$172,253,600	$161,789,400
Nursing Home/ICF-ID Bed Assessment	66,683,100	67,487,900	66,369,100	64,790,600
Critical Access Hospital Assessment*	1,896,200	1,545,200	1,513,900	795,000
Federal Funds Deposited to MA Trust Fund				
Nursing Home Certified Public Expenditures	$44,121,000	$31,203,400	$30,267,300	$29,359,300
UW Intergovernmental Transfer	3,809,100	26,663,600	13,000,000	13,000,000
UW Certified Public Expenditures	0	3,809,100	1,900,000	1,900,000
County Mental Health Certified Public Expenditures	0	4,444,700	4,444,700	4,444,700
Other				
Transfer from Permanent Endowment Fund	$50,000,000	$50,000,000	$50,000,000	$50,000,000
Interest Earnings**	-441,600	-450,000	-450,000	-450,000
Total	$341,715,000	$349,221,900	$339,599,100	$325,629,000

* Deposited in separate trust fund and then transferred to the MA trust fund.
** Negative interest earnings reflect negative cash balances that occur at times during the year.

2. MEDICAL ASSISTANCE COST-TO-CONTINUE

GPR	$353,962,800
FED	362,333,600
PR	54,439,500
SEG	6,806,500
Total	$777,542,400

Governor: Provide $192,551,700 ($89,305,200 GPR, $112,358,400 FED, -$13,905,700 PR, and $4,793,800 SEG) in 2019-20 and $584,990,700 ($264,657,600 GPR, $249,975,200 FED, $68,345,200 PR, and $2,012,700 SEG) in 2020-21 to fund projected MA benefits under a cost-to-continue scenario (no program changes to benefits or eligibility).

Of the total funding under this item, $650,400 GPR annually is provided as a funding increase to community aids to fund adult protective services. With the expansion of Family Care, DHS makes a payment through community aids to replace adult protective services previously provided through legacy waiver programs, but which are not provided by Family Care managed care organizations. Because of its relationship to Family Care expansion, this payment increase is associated with ongoing MA program responsibilities and so is included in the cost-to-continue item. However, since this payment is made through a non-MA appropriation, it is not included in the total GPR cost-to-continue item shown in Table 1 of the previous item.

The funding increases are based on the administration's projections of caseload growth, changes in the use and cost of providing medical and long-term care services, and changes to the state's federal medical assistance percentage (FMAP). Although the cost-to-continue estimate generally assumes no changes to provider reimbursement rates, there are exceptions. For certain MA services, the Department's practice is to make cost-based adjustments to rates, or the rate methodology is itself based, in whole or in part, on provider costs. Examples include hospital base rates, federally qualified health centers, nursing homes, and state centers for individuals with intellectual disabilities. In keeping with past practice, the cost-to-continue estimates incorporate adjustments to account for these reimbursement policies.

Of the total biennial GPR fiscal effect under the cost-to-continue estimate, approximately $97 million is associated with a reduction in the federal matching rate (federal medical assistance percentage, or FMAP) for the children's health insurance program (CHIP). A temporary increase in the CHIP FMAP is being phased out, beginning in federal fiscal year 2019-20, reducing the FMAP (on a state fiscal year basis) from 94.45% in 2018-19, to 85.93 in 2019-20 and to 74.43% in 2020-21. The standard FMAP is projected to change only slightly from current levels. The following table shows the standard and CHIP FMAPs, along with the corresponding state share percentage, used for the cost-to-continue estimate.

Federal Medical Assistance Percentage (FMAP) Rates
By State Fiscal Year

State Fiscal Year	Title 19 (Most MA Services)	Title 21 (Children's Health Insurance Plan)
2018-19		
State	40.78%	5.55%
Federal	59.22	94.45
2019-20		
State	40.64%	14.07%
Federal	59.36	85.93
2020-21		
State	40.64%	25.57%
Federal	59.36	74.43

The following table shows the annual change in the administration's baseline enrollment projections, used for the MA cost-to-continue estimate. The 2018-19 column, for instance, shows the projected enrollment change in each category compared to 2017-18 enrollment. The administration projects that BadgerCare Plus enrollment will generally decline from current levels, while EBD enrollment will continue to grow, consistent with recent trends.

Annual Percentage Change in Enrollment from Prior Year, Cost-to-Continue Assumptions

	Cost-to-Continue Estimates		
	2018-19	2019-20	2020-21
Elderly, Blind, Disabled MA			
Elderly	2.5%	2.5%	2.5%
Disabled, Non-Elderly Adults	0.0	1.0	1.1
Disabled Children	4.6	1.6	0.5
EBD Total	1.3	1.5	1.4
BadgerCare Plus			
Children	-1.8%	-1.3%	-1.0%
Parents	-5.1	-3.0	-2.0
Childless Adults	0.8	0.6	0.8
Pregnant Women	-3.1	-1.9	-1.0
BadgerCare Plus Total	-2.0	-1.3	-0.8
Other Full Benefit MA			
Foster Children	2.1%	2.5%	3.0%
Well Woman	-5.2	-1.9	-1.0
Limited Benefit Groups			
Family Planning Only	5.6%	1.3%	1.0%
Medicare Cost Sharing Assistance	3.5	3.1	3.0
Total Enrollment	-0.9%	-0.4%	-0.1%

3. FULL MEDICAID EXPANSION

GPR	- $324,484,900
FED	1,065,246,500
Total	$740,761,600

Governor: Increase total MA benefits funding by $364,547,900 (-$159,473,300 GPR and $524,021,200 FED) in 2019-20 and by $376,213,700 (-$165,011,600 GPR and $541,225,300) in 2020-21 to reflect the net fiscal effect of increasing MA income eligibility standards from 100% of the federal poverty level (FPL) to 133% of the federal poverty level (equivalent to 138% of the FPL with a standard 5% income disregard used to determine income for program eligibility). The income eligibility change would take effect on the bill's general effective date. The GPR reductions reflect estimated savings that the state would realize by meeting full Medicaid expansion income eligibility standards under provisions of the federal Affordable Care Act (ACA).

Statutory Changes. Repeal a current law provision that prevents DHS from expanding MA program eligibility to qualify for enhanced federal matching funds under the ACA. Require DHS

to comply with all federal requirements to qualify for the highest available enhanced federal medical assistance percentage and to submit any amendment to the state medical assistance plan, request for a waiver of federal Medicaid law, or other approval request required by the federal government to do so. Include "childless adults" in the list of eligibility categories for BadgerCare Plus, which the bill defines as: (a) an individual who is an adult under the age of 65; (b) has family income that does not exceed 133% of the FPL; and (c) is not otherwise eligible for MA or Medicare. Delete current law provisions related to childless adult eligibility through federal waiver authority, effective January 1, 2020. Require DHS to submit any necessary request to the federal Department of Health and Human Services to modify or withdraw from the childless adult demonstration project to reflect the incorporation of childless adults into BadgerCare Plus.

Background. The ACA provides an enhanced FMAP to states for coverage of "newly-eligible" adults with income up to 133% of the federal poverty level. From 2014 through 2016, states were reimbursed for 100% of the cost of covering newly-eligible groups, with a declining federal share in subsequent years until reaching 90% in 2020 and thereafter. The standard FMAP for Wisconsin is currently approximately 59%.

For the purposes of this provision, the "newly eligible" designation applies to an eligibility group for which a state did not provide coverage at the time of the passage of the ACA, which in Wisconsin, as with most states, is childless adults (nondisabled adults, ages 19 through 64 without dependent children). Since the ACA defines the Medicaid expansion population as adults with income up to 133% of the FPL, states must cover all such individuals to qualify for enhanced matching funds.

Since 2014, Wisconsin has provided MA coverage for adults up to 100% of the FPL. Because the state has not adopted the ACA's full Medicaid expansion eligibility threshold, the state is not eligible for enhanced FMAP for childless adults. Instead, the state has funded the childless adults coverage at the state's FMAP. By increasing the income eligibility thresholds for adults, the bill would qualify the state for enhanced FMAP for childless adults. The change to income eligibility thresholds would take effect upon enactment of the bill, and the administration's funding estimates reflects qualification for enhanced federal match as of July 1, 2019.

Fiscal Effect. Over the biennium, the total GPR savings are estimated at $324.5 million, which is the net effect of three components: (a) estimated savings of $521.5 million resulting from replacing the standard FMAP with the enhanced FMAP for childless adults under 100% of the FPL (currently covered); (b) an estimated additional cost of $163.1 million associated with extending coverage to parents in the income range between 100% of the FPL and 133% of the FPL at the state's standard FMAP; and (c) an estimated additional cost of $33.9 million associated with extending coverage to childless adults in the income range between 100% of the FPL and 133% of the FPL at the enhanced FMAP. Since there would be no change to the federal matching rate for parents under 100% of the FPL, there is no fiscal change associated with that group. The following table summarizes the administration's estimates of the GPR effect by group and income level for both years of the 2019-21 biennium.

Administration's Estimated GPR Fiscal Effect of Full Medicaid Expansion, by Eligibility Group, Income Level, and Fiscal Year ($ in Millions)

	Childless Adults	Parents	Total
2019-20			
0% to 100% FPL	-$256.5	$0.0	-$256.5
100% to 133% FPL	16.7	80.3	97.0
Net Change	-$239.8	$80.3	-$159.5
2020-21			
0% to 100% FPL	-$265.0	$0.0	-$265.0
100% to 133% FPL	17.2	82.8	100.0
Net Change	-$247.8	$82.8	-$165.0
Biennial Total			
0% to 100% FPL	-$521.5	$0.0	-$521.5
100% to 133% FPL	33.9	163.1	197.0
Net Change	-$487.6	$163.1	-$324.5

For the purposes of these estimates, the administration assumed increased average enrollment of approximately 82,000, composed of 52,000 parents and 30,000 childless adults. Currently, there are approximately 154,000 parents and 150,000 childless adults enrolled in MA.

[Bill Sections: 201, 652, 672, 699 thru 702, 711, 9119(4), and 9419(2)]

4. HOSPITALS -- DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

GPR	$58,000,000
FED	84,857,200
Total	$142,857,200

Governor: Provide $71,428,600 ($29,000,000 GPR and $42,428,600 FED) annually to increase disproportionate share hospital (DSH) payments to hospitals under MA. Modify statutory provisions relating to the program by: (a) increasing, from $27,500,000 to $56,500,000 per year, the state share of payments, in addition to the federal matching funds, that DHS is required to pay to hospitals that serve a disproportionate share of low-income patients; (b) increasing, from $4,600,000 to $9,200,000 the maximum amount any single hospital can receive in each fiscal year; and (c) provide that a hospital that is a free-standing pediatric teaching hospital located in Wisconsin for which 50 percent or more of its total inpatient days are for MA recipients may receive up to $12,000,000 in each fiscal year. Currently, Children's Hospital of Wisconsin is the only hospital in the state that would be eligible for the $12,000,000 DSH payment limit. With this increase, total DSH payments (state and federal funds) would increase from $67.5 million in 2018-19 to approximately $139.0 million annually in the 2019-21 biennium. DSH payments are provided to hospitals for which more than 6% of inpatient days are attributable to MA patients.

[Bill Sections: 657 and 658]

5. HOSPITALS -- ACUTE CARE HOSPITAL ACCESS PAYMENTS

GPR	- $14,800,000
FED	214,800,000
Total	$200,000,000

Governor: Provide $100,000,000 (-$7,400,000 GPR and $107,400,000 FED) annually to increase the total annual hospital access payments under MA. Require DHS to make total hospital supplement payments equal to the amount collected under the hospital assessment divided by 53.69%, instead of, under current law, the amount of the assessment divided by 61.68%, which has the effect of increasing the annual total from $672,028,700 to $772,028,700.

Background. Under current law, DHS collects an assessment on hospitals (excluding psychiatric hospitals), based on a percentage of patient revenues. There are two separate assessments--one collected on large acute care and rehabilitation hospitals (hereafter "acute care hospital" or ACH assessment), and another collected on critical access hospitals (generally rural hospitals with 25 or fewer beds). For the ACH assessment, the rate, which is 0.92% of gross patient revenues in 2018-19, is set each year so that the total amount collected equals $414,507,300.

ACH hospital assessment revenue is deposited in the hospital assessment fund and a portion is used, along with federal matching funds, to make hospital access payments and other hospital supplements. [These payments are provided in addition to the base rate reimbursement for hospital services.] Under the statutory formula, DHS is required to make payments totaling $672,028,700. Of this amount, $654,028,700 is used for hospital access payments, while the remaining $18,000,000 is used for other hospital supplemental payments. Hospital access payments are flat rate payments made in addition to the base reimbursement for inpatient and outpatient services. In 2018-19, the hospital access payment for inpatient services is set at $4,027 for inpatient services (paid upon discharge) and $318 for outpatient services (paid per visit), amounts that are recalculated each year to distribute the total amount of funding allocated for access payments.

Any assessment revenue remaining in the hospital assessment fund after making the access payments is transferred to the medical assistance trust fund (MATF), where it is used for the state share of general MA benefits, offsetting what would otherwise be GPR expenditures.

For the purposes of determining the amount of the access payment, DHS divides the total access payment pool by the total number of number of MA hospital visits, except that visits by childless adults are excluded. Formally, therefore, access payments are not made on behalf of childless adults.

Currently, childless adults are covered under the terms of a federal demonstration waiver. DHS does not make access payments for childless adult hospital visits, a policy that effectively reduces the cost of childless adult coverage, in order to comply with federal "budget neutrality" rules applicable to such waivers. Under the bill, childless adults would no longer be covered under the federal waiver, meaning that federal budget neutrality rules would no longer apply and the Department could begin making access payments for childless adults.

GPR Savings Due to Full Medicaid Expansion. Although this item would increase annual hospital access payments by $100,000,000, the bill would reduce GPR funding for MA benefits by $7,400,000 annually due to the effect of full Medicaid expansion and the decision to make

access payments for hospital visits by childless adults.

As with other MA benefits costs, access payments and other hospital supplements are eligible for federal matching funds. The applicable federal matching rate depends upon the eligibility category of the MA beneficiary who receives the hospital services. In most cases, the standard FMAP, which is approximately 59%, applies. If, however, the hospital services are provided to a child eligible under the children's health insurance program (CHIP), then the higher CHIP FMAP applies. The CHIP FMAP is projected at 85.93% in 2019-20 and 74.43% in 2020-21. Based on the mix of MA patients currently receiving hospital services, DHS estimates that the blended average FMAP for all hospital access payments would be approximately 63.1% in 2019-20 and 61.5% in 2020-21, in the absence of any other changes. If, however, childless adults are eligible for an enhanced FMAP with full Medicaid expansion (90% beginning in calendar year 2020), the effective blended FMAP would be projected to increase to 69.0% in 2019-20 and 67.6% in 2020-21. This reduction in the state share of access payments has the effect of increasing the amount of state hospital assessment revenue transferred to the MATF to offset GPR expenditures.

Without the enhanced FMAP associated with full Medicaid expansion, a $100,000,000 annual increase to access payments would require GPR increases of approximately $36.9 million in 2019-20 and $38.5 million in 2020-21.

[Bill Section: 655]

6. HOSPITALS -- CRITICAL ACCESS HOSPITAL ACCESS PAYMENTS

GPR	- $600,000
FED	3,600,000
Total	$3,000,000

Governor: Provide $1,500,000 (-$300,000 GPR and $1,800,000 FED) annually to increase the total amount of critical access hospital (CAH) access payments under MA. Require DHS to make total supplemental payments to critical access hospitals equal to the amount collected under the CAH assessment divided by 53.69%, instead of, under current law, the amount of the assessment divided by 61.68%.

Unlike the ACH hospital access payments (described in the previous summary item), the total amount of the CAH access payments changes each year since the amount collected from the CAH assessment changes. DHS projects that the CAH access payments (SEG and FED total) will be $10,672,200 in 2018-19. Under the current law formula, total CAH access payments are projected to decline (due to a decline of CAH assessment revenues) to $10,075,900 in 2019-20 and $9,513,000 in 2020-21. The annual net funding increase of $1,500,000 to CAH access payments under this item reflects the administration's estimate of the effect of the change to the formula used to determine the amount of the total payments. That actual change in CAH access payments would depend upon the actual amount of CAH assessment revenue collected.

Similar to the proposed change to ACH access payments, the federal share of the CAH access payments would increase as the result of the full Medicaid expansion item. The resulting reduction in CAH assessment revenue used for CAH access payments would increase the amount of assessment revenue used to offset GPR expenditures for MA benefits. Without full Medicaid expansion, a $1,500,000 annual increase to CAH access payments would require GPR increases

of approximately $551,000 in 2019-20 and $570,000 in 2020-21.

[Bill Section: 656]

7. HOSPITALS -- PEDIATRIC INPATIENT SUPPLEMENT

GPR	$3,964,000
FED	16,036,000
Total	$20,000,000

Governor: Increase MA benefits funding by $10,000,000 ($1,407,000 GPR and $8,593,000 FED) in 2019-20 and $10,000,000 ($2,557,000 GPR and $7,443,000 FED) in 2020-21 to fund a pediatric supplemental hospital payment. Authorize DHS, using a method determined by the Department, to distribute $10,000,000 in each fiscal year to hospitals that are free-standing pediatric teaching hospitals located in Wisconsin, and for which 45 percent or more of their total inpatient days are for MA recipients. Currently, Children's Hospital of Wisconsin is the only hospital in the state eligible to receive funding under this provision. The share of state and federal funding provided for this payment reflects the federal matching percentage applicable under the children's health insurance program (CHIP) in the biennium, estimated at 85.93% in 2019-20 and 74.43% in 2020-21.

Require DHS, using a method determined by the Department, to distribute a total sum of $2,000,000 each state fiscal year to acute care hospitals in Wisconsin that have inpatient days in the hospital's acute care and intensive care pediatric units that exceed 12,000 days in the second calendar year prior to the hospital's current fiscal year. Specify that, for the purposes of this calculation, days for neonatal intensive care units are not included. Although not required by statute, DHS currently makes a payment matching these criteria under the state's Medicaid inpatient hospital plan. UW Hospital and Clinics and Children's Hospital of Wisconsin are the only hospitals in the state eligible to receive funding under this program. This item would establish this supplemental payment in state statute. Since the Department is currently making the payment from the MA program budget, no additional funds are provided by the bill.

[Bill Section: 667]

8. HOSPITALS -- RURAL CRITICAL CARE HOSPITAL SUPPLEMENT

GPR	$500,000
FED	731,600
Total	$1,231,600

Governor: Provide $615,800 ($250,000 GPR and $365,800 FED) annually to increase funding for supplemental payments made to rural critical care access hospitals under the MA program. Increase, from $250,000 to $500,000, the total amount of the state share of payments for the supplement. Delete the current law eligibility criteria for receiving a supplemental payment under the program, which is any hospital that does not have obstetric services, but would otherwise meet all of the requirements for a payment under the disproportionate share hospital payment program.

Specify, instead, that payments be made to hospitals that meet the following criteria: (a) the hospital is located in Wisconsin and provides a wide array of services, including emergency department services; and (b) in the most recent year for which information is available, the hospital charged at least six percent of overall charges for services to the medical assistance program for

MA recipients. Specify that DHS may determine the amount of the payment based on MA charges as a percentage of total charges rather than, under current law, MA inpatient days as a percentage of total inpatient days.

The rural critical care access supplement was created by 2017 Act 59, and requires the Department to make payments of $250,000 GPR annually, along with federal matching funds, to hospitals that would meet all of the criteria for disproportionate share hospital payments, but do not provide obstetric services. Funding is distributed among qualifying hospitals under a formula similar to the one used for disproportionate share hospital payments.

[Bill Section: 659]

9. CRISIS INTERVENTION SERVICES

GPR	$25,381,000
FED	11,877,000
Total	$37,258,000

Governor: Increase MA benefits funding by $9,210,100 ($6,960,700 GPR and $2,249,400 FED) in 2019-20 and by $28,047,900 ($18,420,300 GPR and $9,627,600 FED) in 2020-21 to reflect estimated costs of provisions in the bill that would increase the state's share of the cost of county crisis intervention services provided to MA recipients. Counties provide crisis intervention services to respond to individuals who experience a mental health crisis by meeting their immediate need for care, and refer these individuals to other community mental health services for ongoing treatment.

Statutory Provisions. Require DHS to reimburse crisis intervention providers for MA-eligible services provided after January 1, 2020, an amount equal to the total federal and nonfederal share of costs, minus a county maintenance of effort contribution, if the services are provided in a county that elects to deliver crisis intervention services on a regional basis according to criteria established by the Department. Establish the county maintenance of effort for crisis intervention services equal to 75% of the county's expenditures for crisis intervention services in 2017. Specify that any amount of the nonfederal share of crisis intervention services paid by the state may not be counted as a county cost for the purpose of claiming federal reimbursement for unreimbursed county costs.

Modify the statutory description of "mental health crisis intervention services" by deleting the reference to "mental health" and instead specifying that such services are for the treatment of mental illness, intellectual disability, substance abuse, and dementia. DHS indicates that this broader definition of crisis intervention services is, in practice, consistent with the current use of these services.

Under current law, all counties are required to have an emergency mental health service program, although the scope of services provided within these programs varies by county. Most, but not all counties, have an emergency mental health service that is certified by MA, which allows the county to receive reimbursement for services provided to MA-eligible residents. Counties are responsible for the nonfederal share of the cost of crisis intervention services that are reimbursable under MA.

Under this item, the state would assume a portion of the nonfederal share of these costs, with

counties continuing to be responsible for an annual amount equal to 75% of their 2017 expenditures for crisis intervention services. To be eligible for state funding, counties would be required to provide services on a regional basis according to DHS criteria. Under a similar provision applicable to the comprehensive community services MA benefit (CCS), counties generally administer this program as part of multi-county initiatives.

The funding provided by the bill reflects an estimate of the cost to the state of assuming the nonfederal share, minus the county maintenance of effort. The federal funding estimate reflects an assumption that the utilization of crisis services would increase as counties that currently offer fewer crisis services would expand their scope of their programs.

[Bill Sections: 680, 681, and 691]

10. PHYSICIAN AND BEHAVIORAL HEALTH SERVICES

GPR	$26,950,600
FED	42,163,800
Total	$69,114,400

Governor: Provide $22,471,900 ($8,732,800 GPR and $13,739,100 FED) in 2019-20 and $46,642,500 ($18,217,800 GPR and $28,424,700 FED) in 2020-21 to increase MA reimbursement rates for mental health, behavioral health, and psychiatric services provided by physicians and medical clinics. The administration's funding estimate assumes implementation of the rate increases on January 1, 2020, and includes services paid both on a fee-for-service basis and services paid by health maintenance organizations. The administration estimates that the funding in the bill would allow for a rate increase for the targeted services of approximately 6.8% if the increases were applied uniformly to all rates. However, the Department would have discretion to apply different percentage increases to procedure codes within these categories to address areas of particular concern.

11. COMMUNITY HEALTH BENEFIT

GPR	$22,500,000
FED	22,500,000
Total	$45,000,000

Governor: Provide $45,000,000 ($22,500,000 GPR and $22,500,000 FED) in 2020-21 to fund a new MA benefit, subject to federal approval, for nonmedical services that contribute to the determinants of health. Direct the Department to determine which specific nonmedical services that contribute to the determinants of health would be included as an MA benefit, and require the Department to seek any necessary plan amendment or request any waiver of federal Medicaid law to implement this benefit. Specify that DHS is not required to provide these services as a benefit if the federal Department of Health and Human Services does not provide federal financial participation for these services.

The administration indicates that the eligible services under the proposed benefit may include housing referrals, nutritional mentoring, stress management, transportation services, and other services that would positively impact an individual's economic and social condition. The administration's funding estimate assumes that approximately 12,500 individuals would be served on a monthly basis, at an average cost of $300 per person per month.

[Bill Sections: 692 and 693]

12. DENTAL ACCESS INCENTIVES

GPR	$16,684,500
FED	22,135,200
Total	$38,819,700

Governor: Provide $18,290,900 ($7,894,700 GPR and $10,396,200 FED) in 2019-20 and $20,528,800 ($8,789,800 GPR and $11,739,000 FED) in 2020-21 to reflect the net effect of: (a) providing enhanced reimbursement rates under the MA program to dental providers who meet certain qualifications; and (b) eliminating the dental reimbursement pilot project.

Critical Access Reimbursement Payments to Dental Providers. Provide $28,097,600 ($11,520,000 GPR and $16,577,600 FED) in 2019-20 and $30,335,500 ($12,437,600 GPR and $17,897,900 FED) to increase reimbursement rates for dental providers that meet quality of care standards, as established by the Department, and that meet one of the following qualifications: (a) for a non-profit or public provider, 50 percent or more of the individuals served by the provider lack dental insurance or are enrolled in MA; or (b) for a for-profit provider, five percent or more of the individuals served by the provider are enrolled in MA.

Require the Department to increase reimbursement in the following manner, for dental services rendered on or after January 1, 2020, by a provider meeting the above criteria: (a) for a qualified non-profit provider, a 50 percent increase above the rate that would otherwise be paid to that provider; (b) for a qualified for-profit provider, a 30 percent increase above the rate that would otherwise be paid to that provider; and (c) for providers rendering services to individuals enrolled in managed care under the MA program, increase reimbursement on the basis of the rate that would have been paid to the provider had the individual not been enrolled in managed care. Specify that if a provider has more than one service location, the eligibility thresholds described above apply to each location, and payment for each service location would be determined separately.

Elimination of the Dental Reimbursement Pilot Project. Reduce funding by $9,806,700 (-$3,625,300 GPR and -$6,181,400 FED) in 2019-20 and by $9,806,700 (-$3,647,800 GPR and -$6,158,900 FED) in 2020-21 to reflect the effect of repealing the provisions of 2015 Act 55, which created an enhanced dental reimbursement pilot program to increase MA reimbursement rates for pediatric dental care and adult emergency dental services provided in Brown, Marathon, Polk, and Racine counties. This funding reduction is based on the difference between the standard reimbursement rate and the enhanced rate for expenditures in the pilot program counties in 2017-18.

[Bill Sections: 675 and 676]

13. BLOOD-LEAD TESTING -- HMO INCENTIVES

GPR	$2,845,600
FED	4,154,600
Total	$7,000,200

Governor: Provide $3,500,100 ($1,422,800 GPR and $2,077,300 FED) annually to increase pay-for-performance incentives to BadgerCare Plus HMOs. Currently, DHS imposes a $10,000 fine on HMOs for failure to meet benchmarks standards for blood-lead testing for children, which is testing of 80.9% of enrolled children by age 2. This item would provide funding for incentive payments to increase the percentage of children tested. The amounts are based on approximately 0.25% of BadgerCare Plus HMO capitation payments.

14. SENIORCARE COST-TO-CONTINUE

GPR	$1,369,500
FED	1,249,800
PR	22,742,200
Total	$25,361,500

Governor: Provide $6,699,800 (-$1,310,200 GPR, -$1,139,600 FED, and $9,149,600 PR) in 2019-20 and $18,661,700 ($2,679,700 GPR, $2,389,400 FED, and $13,592,600 PR) in 2020-21 to fund projected increases in the cost of benefits under the SeniorCare program in the 2019-21 biennium. SeniorCare provides drug benefits for Wisconsin residents over the age of 65 who are not eligible for full Medicaid benefits, but who meet the program's income eligibility criteria.

The program is supported with a combination of state funds (GPR), federal funds the state receives under a Medicaid demonstration waiver (FED), and program revenue (PR) from rebate payments DHS collects from drug manufacturers. The program has four income eligibility categories: (a) less than 160% of the federal poverty level (FPL); (b) 160% of FPL to 200% of FPL; (c) 200% of FPL to 240% of FPL; and (d) greater than 240% of FPL. Each of these eligibility tiers has different requirements for deductibles. Persons in the last category, known as "spend-down" eligibility, do not receive benefits until they have out-of-pocket drug expenses in an annual period that exceed the difference between their annual income and 240% of the FPL, plus the deductible.

The funding increase reflects the administration's assumptions for enrollment, distribution of enrollees among eligibility categories, cost per enrollee, federal matching percentages, and drug rebate revenue estimates. The administration projects that during the three-year period from 2018-19 through 2020-21, SeniorCare enrollment will increase by 1% annually in the lowest two income eligibility categories ("a" and "b" above), by 2% annually in the third highest category ("c" above), and by 11% annually in the spend-down category ("d" above). In the same three-year period, the administration also projects that the per beneficiary cost will increase by 8% annually in the lowest two income eligibility categories, by 10% annually in the third highest category, and by 2% annually in the spend-down category.

The following table summarizes SeniorCare funding under the bill.

	GPR	FED	PR	Total
2018-19 Appropriation Base	$20,927,400	$21,067,700	$75,312,300	$117,307,400
2019-20 Change to Base	-$1,310,200	-$1,139,600	$9,149,600	$6,699,800
2019-20 Total Funding	19,617,200	19,928,100	84,461,900	124,007,200
2020-21 Change to Base	$2,679,700	$2,389,400	$13,592,600	$18,661,700
2020-21 Total Funding	23,607,100	23,457,100	88,904,900	135,969,100

The following table shows the administration's SeniorCare enrollment projections, by income enrollment category, which were used to develop the cost-to-continue estimate.

Income Category	2018-19	2019-20	2020-21
Less than 160% of FPL	28,800	29,100	29,400
160% of FPL to 200% of FPL	15,800	16,000	16,100
200% of FPL to 240% of FPL	10,400	10,600	10,800
Greater than 240% of FPL	40,300	44,800	49,700
Total Enrollment	95,300	100,500	106,000

15. POST-PARTUM ELIGIBILITY

GPR	$9,609,600
FED	13,270,400
Total	$22,880,000

Governor: Increase MA benefits funding by $22,880,000 ($9,609,600 GPR and $13,270,400 FED) in 2020-21 to reflect the estimated cost of extending benefits for MA-eligible pregnant women until the last day of the month in which the 365th day after the last day of the pregnancy falls. Require DHS to seek approval from the federal Department of Health and Human Services to implement this change in program eligibility.

Under current law, post-partum women are eligible for MA benefits until the last day of the month in which the 60th day after the last day of the pregnancy falls. The administration's funding estimate assumes that this change would increase average monthly enrollment by 6,500, beginning in 2020-21. The current income eligibility threshold for pregnant women is 300% of the federal poverty level (FPL), while the threshold for non-pregnant adults is 100% of the FPL. Therefore, the proposed eligibility expansion would apply to women who were MA-eligible during their pregnancy, but who are above 100% of the FPL during the year following delivery.

[Bill Sections: 685, 688, 695, and 703 thru 705]

16. PRESCRIPTION DRUG COPAYMENTS

GPR	$4,908,600
FED	7,181,400
Total	$12,090,000

Governor: Provide $6,045,000 ($2,454,300 GPR and $3,590,700 FED) annually to eliminate copayments for prescription drugs for enrollees in MA. The funding provided reflects the administration's estimate of the MA expenditures for pharmacy reimbursement that would be needed to replace the amount that would otherwise be collected as copayments.

Under current law, most adult enrollees in the MA program are required to pay a copayment in order to fill their prescriptions. A copayment of $1 dollar per prescription is required for generic drugs, and $3 per prescription is required for brand name drugs. The bill reflects the administration's intent to waive the copayment. Copayments in the SeniorCare program would remain unchanged.

17. TELEHEALTH EXPANSION

GPR	$2,781,100
FED	4,070,600
Total	$6,851,700

Governor: Increase MA benefits funding by $2,681,100 ($1,088,200 GPR and $1,592,900 FED) in 2019-20 and $4,170,600

($1,692,900 GPR and $2,477,700 FED) in 2020-21 to fund anticipated increases in the use of MA services rendered by providers using telehealth technology. This increase is expected to result from a statutory change in the bill that would expand the definition of telemedicine and the services that may be provided through telehealth technology.

Modify the definition of "telehealth" for the purposes of reimbursement of mental health or substance abuse treatment services provided under MA to include: (a) real-time communications between providers; and (b) in circumstances determined by DHS, asynchronous transmissions of digital clinical information through a secure electronic communications system from one provider to another provider. Currently, the definition of "telehealth" includes only real-time communications between individuals and health care providers.

Require DHS to develop, by rule, a method of reimbursing providers for MA services that are either: (a) a consultation between a provider at an originating site and a provider at a remote location using a combination of interactive video, audio, and externally acquired images through a networking environment; or (b) an asynchronous transmission of digital clinical information through a secure electronic system from an MA recipient or provider to a provider.

These changes would authorize DHS to develop reimbursement policies for any MA service rendered through telehealth technology, and would make asynchronous provider consultation and remote patient monitoring eligible for reimbursement. Asynchronous telehealth typically involves consultation between a primary care provider and a specialist who share patient information through a secured communications system. Remote patient monitoring allows a provider to receive data transmitted from monitoring devices, such as a heart monitor worn by the patient. Under current law, telehealth services are only reimbursable for a limited set of services, primarily mental health or substance abuse treatment services, and telehealth only includes real-time, "face-to-face" interaction between a provider and a patient.

[Bill Sections: 677 and 9119(2)]

18. DENTAL SERVICES FOR INDIVIDUALS WITH DISABILITIES

GPR	$2,030,000
FED	2,970,000
Total	$5,000,000

Governor: Provide $2,000,000 ($812,000 GPR and $1,188,000 FED) in 2019-20 and $3,000,000 ($1,218,000 GPR and $1,782,000 FED) in 2020-21 to increase reimbursement rates for dental services that are covered under MA and provided to recipients who have disabilities. Require DHS to allocate a total of $2,000,000 in 2019-20 and $3,000,000 in 2020-21 for such increases. A provision of the 2017-19 budget (Act 59) required DHS to increase reimbursement rates by 200% for dental services rendered by facilities that provide at least 90 percent of their dental services to individuals with cognitive and physical disabilities (although the act did not increase MA funding for this purpose). The Department is currently developing standards to implement this requirement. This item would provide funding for reimbursement of dental services rendered to individuals who have disabilities, which could be allocated to meet the Act 59 requirement, but also could be allocated to providers that do not meet the Act 59 criteria.

[Bill Section: 9119(9)]

19. BEHAVIORAL HEALTH TECHNOLOGY -- INCENTIVE PAYMENTS

GPR	$2,000,000
FED	2,000,000
Total	$4,000,000

Governor: Increase MA benefits funding by $4,000,000 ($2,000,000 GPR and $2,000,000 FED) in 2020-21 for DHS to make incentive grants to behavioral health providers that adopt electronic health records systems or participate in the state's health information exchange. A health information exchange allows a provider to access their patients' records, such as test results, prescribed medications, and services patients received, including information relating to services rendered by other providers. The Wisconsin Statewide Health Information Network (WISHIN) serves as the health information exchange for providers in Wisconsin.

20. SUBSTANCE ABUSE HUB-AND-SPOKE TREATMENT MODEL

GPR	$89,900
FED	808,900
Total	$898,800

Governor: Provide $89,900 GPR and $808,900 FED in 2020-21 for supportive services delivered under the Medicaid medical health home benefit for persons with substance abuse disorders. Under the medical health home benefit, supportive services are rendered by a designated provider to persons with chronic conditions, including mental health conditions or substance use disorder. Specific services may include comprehensive care management, care coordination and health promotion, comprehensive transitional care, patient and family support, referral to community and social support services, and use of health information technology to link services. A provision of the federal Affordable Care Act provides an enhanced federal matching rate of 90% for eight calendar quarters for medical health home services. Wisconsin established a medical health home program for individuals with HIV or AIDS in 2013. Currently there are approximately 290 persons enrolled in that program.

The administration proposes using the medical health home benefit to establish a substance abuse treatment program based on a "hub-and-spoke" model. Under this treatment model, a designated regional "hub" clinic provides intake and stabilizing services, and then makes referrals to various "spoke" providers to render ongoing services, in coordination with the hub. Spoke providers may be of various types, including physician practices, hospitals, residential treatment providers, substance abuse clinics, and non-medical social service agencies. Patients may be referred between the hub provider and spoke providers as needed.

The administration indicates it would establish three integrated medical health homes that would serve as "hubs," each equipped to treat a full range of health and substance use disorders, up to and including medication assisted treatment with methadone. The funding provided by the bill is based on the assumption that the medical home would have a monthly average enrollment of 350 participants at a monthly cost of $214 for coordination services.

21. DOULA SERVICES

GPR	$384,000
FED	234,700
Total	$618,700

Governor: Provide $192,000 GPR in 2019-20 and $426,700

($192,000 GPR and $234,700 FED) in 2020-21 to provide grants for community-based doulas in 2019-20, and to provide reimbursement for certified doula services provided through the MA program in select counties, beginning in 2020-21.

Doula Services as an MA Benefit. Increase MA benefits funding by $426,700 ($192,000 GPR and $234,700 FED) in 2020-21 to fund doula services as an MA benefit. Specify that doula services are eligible for reimbursement under MA when the services are rendered by a certified doula to pregnant women enrolled in MA who reside in Brown, Dane, Milwaukee, Rock, Sheboygan, or another county as determined by the Department. For these purposes, define a "certified doula" as an individual who has received certification from a doula certifying organization recognized by the Department. Specify that services provided by a certified doula include continuous emotional and physical support during labor and birth of a child and intermittent services during the prenatal and postpartum periods.

Require DHS to seek any necessary federal approval to allow reimbursement for services provided by a certified doula through the MA program and specify that the Department may not provide reimbursement for these services unless such approval is granted. The administration's funding estimate assumes that 10% of pregnant women in the target counties would receive doula services, and that MA reimbursement for these services would begin in 2020-21.

One-Time Grants. Provide $192,000 GPR in 2019-20 and require DHS to allocate this amount in 2019-20 from an appropriation that funds Division of Medicaid Services contracts to support grants to public or private entities, American Indian tribes or tribal organizations, or community-based organizations for grants for community-based doulas. Require grant recipients to use the money to identify and train local community workers to mentor pregnant women.

[Bill Sections: 679, 690, and 9119(8)]

22. MA REIMBURSEMENT FOR CLINICAL CONSULTATIONS

GPR	$203,000
FED	297,000
Total	$500,000

Governor: Increase MA benefits funding by $250,000 ($101,500 GPR and $148,500 FED) annually to reflect the administration's estimate of the cost to continue to reimburse mental health professionals for clinical consultations. Repeal a provision that prohibits DHS from providing reimbursement for a clinical consultation that occurs after June 30, 2019.

The 2017-19 budget act directed DHS to reimburse health care providers for conducting clinical consultations under the MA program in the 2017-19 biennium only. "Clinical consultations" are defined as, for a student up to age 21, communication from a mental health professional or a qualified treatment trainee working under the supervision of a mental health professional to another individual who is working with the client to inform, inquire, and instruct regarding all of the following and to direct and coordinate clinical service components: (a) the client's symptoms; (b) strategies for effective engagement, care, and intervention for the client; and (c) treatment expectations for the client across service settings.

This item would maintain clinical consultations as an ongoing, MA-reimbursable service.

[Bill Section: 678]

23. FAMILY CARE DIRECT CARE REIMBURSEMENT

GPR	$12,000,000
FED	17,523,900
Total	$29,523,900

Governor: Provide $14,763,800 ($6,000,000 GPR and $8,763,800 FED) in 2019-20 and $14,760,100 ($6,000,000 GPR and $8,760,100 FED) in 2020-21 to increase the direct care and services portion of the capitation rates DHS provides to managed care organizations (MCOs) in recognition of the direct caregiver workforce challenges facing the state.

Funding for this item is in addition to the funding provided in the 2017-19 biennial budget for the same purpose. In the 2017-19 biennium the Department distributed the additional funding through the Direct Care Workforce Funding Initiative, which required MCOs to pass additional funding on to providers in the form of wage increases, bonuses, or additional paid time off for certain direct care workers, or to fund employer payroll tax increases that result from increasing workers' wages.

The following table identifies the funding that would be provided to increase the direct care and services portion of the capitation rates DHS provides to MCOs in the bill. This funding would be provided in addition to funding in the bill that the administration estimates would be needed to fund actuarially sound capitation rates in the 2019-21 biennium. The bill does not specify how the additional funding in the table below would be distributed in the 2019-21 biennium.

Family Care Direct Care Reimbursement
Governor's Bill

	2019-20			2020-21		
	GPR	FED	Total	GPR	FED	Total
2017-19 Increase (Part of MA Cost-to-Continue)	$12,500,000	$18,257,900	$30,757,900	$12,500,000	$18,257,900	$30,757,900
2019-21 Increase	6,000,000	8,763,800	14,763,800	6,000,000	8,760,100	14,760,100
Total	$18,500,000	$27,021,700	$45,521,700	$18,500,000	$27,018,000	$45,518,000

24. NURSING HOME REIMBURSEMENT

GPR	$10,742,500
FED	15,691,500
Total	$26,434,000

Governor: Provide $8,676,200 ($3,525,900 GPR and $5,150,300 FED) in 2019-20 and $17,757,800 ($7,216,600 GPR and $10,541,200 FED) in 2020-21 to increase the MA reimbursement rates paid to nursing homes and intermediate care facilities for individuals with intellectual disabilities (ICFs-IID).

In session law, require DHS to increase the MA rates paid for direct care to nursing facilities and ICFs-IID with a 1 percent annual rate increase related to an increase in acuity of patients in

these facilities and an additional 1.5 percent annual rate increase to support staff in those facilities who perform direct care, for a total increase of 2.5 percent in 2019-20 and an additional increase of 2.5 percent in 2020-21.

The funding amount in this item is intended to fund the administration's estimate of the cost of increasing reimbursement for direct care services by 2.5% in 2019-20 and by an additional 2.5% in 2020-21. Funding for the 1 percent annual rate increase ($17,416,700 all funds over the 2019-21 biennium) due to increased patient acuity is budgeted as part of the MA cost-to-continue item.

The following table identifies the total funding that would be provided to increase MA reimbursement to nursing homes in the bill.

Nursing Home Reimbursement Increases
Governor's Bill

	2019-20			2020-21		
	GPR	FED	Total	GPR	FED	Total
1% Acuity Increase (Part of MA Cost-to-Continue)	$2,322,000	$3,391,800	$5,713,800	$4,756,000	$6,946,900	$11,702,900
1.5%/1.5% Increase for Direct Care Services	3,525,900	5,150,300	8,676,200	7,216,600	10,541,200	17,757,800
Total	$5,847,900	$8,542,100	$14,390,000	$11,972,600	$17,488,100	$29,460,700

[Bill Section: 9119(11)]

25. PERSONAL CARE REIMBURSEMENT

GPR	$6,801,200
FED	9,950,500
Total	$16,751,700

Governor: Provide $3,330,300 ($1,352,100 GPR and $1,978,200 FED) in 2019-20 and $13,421,400 ($5,449,100 GPR and $7,972,300 FED) in 2020-21 to increase the MA reimbursement rates paid to personal care agencies to support staff in those agencies who perform direct care. In session law, require DHS to increase the MA rates paid to agencies that provide personal care services by 1.5 percent annually to support staff in those agencies who perform direct care.

The administration indicates its intent is to increase the rate for personal care services provided on and after January 1, 2020, from the current rate of $16.73 per hour to $16.98 per hour, and increase the rate for personal care services provided on or after July 1, 2020, from $16.98 per hour to $17.24 per hour.

[Bill Section: 9119(12)]

26. CHILDREN'S LONG-TERM SUPPORT WAIVER PROGRAM -- ENSURE SERVICES

Governor: Require DHS to ensure that any child who is eligible, and applies, for the children's long-term support (CLTS) waiver program receives services under the CLTS waiver

program. As of February 28, 2019, 8,963 children were enrolled in the program, and 1,047 children were on a statewide waiting list for services.

The bill would provide additional funding to support CLTS waiver services as part of the MA cost-to-continue item. The following table shows the amount DHS has budgeted for CLTS program services in 2018-19 (the base funding amount), the funding increases that would be provided for the program under the cost-to-continue item, and the administration's enrollment estimates.

Children's Long-Term Support Services
Governor's Bill

	2019-20			2020-21		
	GPR	FED	Total	GPR	FED	Total
Base	$33,192,500	$48,195,400	$81,387,900	$33,192,500	$48,195,400	$81,387,900
Cost-to-Continue Increase in Bill	14,547,500	21,245,100	35,792,600	15,601,400	22,781,000	38,382,400
Total Funding in Bill for CLTS Services	$47,740,000	$69,440,500	$117,180,500	$48,793,900	$70,976,400	$119,770,300
Estimated Enrollment as of June 30			9,780			9,910

[Bill Section: 487]

27. LONG-TERM CARE SERVICES -- STATUTORY REVISIONS TO REFLECT CURRENT PROGRAMS AND FEDERAL REQUIREMENTS

Governor: Modify statutory provisions relating to the state's long-term care programs to: (a) reflect the completion of the statewide expansion of Family Care, including the termination of the community options program (COP), a county-administered program that previously offered MA-supported long-term care services; (b) conform the state's statutes to be consistent with new federal rules as they relate to grievances, appeals, and fair hearings for individuals enrolled in MA managed care plans; and (c) repeal obsolete provisions, correct references, and make minor changes to reflect current practice relating to the state's long-term care programs.

Community Options Program (COP). Repeal statutory references to COP, since COP has been replaced with Family Care and IRIS (Include, Respect, I Self-Direct) in all counties of the state. Revise numerous statutes to eliminate references to COP, including the responsibilities of state agencies and counties in administering COP.

IRIS -- Waiver Request. Add a reference to the "self-directed service option"(IRIS) to the current requirement that the Department request any waivers of federal MA law that are necessary to permit the use of federal moneys to provide the Family Care benefit. DHS currently operates the program under a federal MA waiver.

Regional Long-Term Care Advisory Committees. Repeal statutory provisions relating to the creation and activities of regional long-term care advisory committees. The current statutory duties of the regional long-term care advisory committees, as they relate to each committee's region, are: (a) evaluating the performance of managed care organizations (MCOs) and making recommendations based on the evaluation to the MCOs and DHS; (b) evaluating the performance of aging and disability resource centers (ADRCs) and making recommendations based on the evaluation to the ADRCs and DHS; (c) monitoring grievances and appeals made to the MCO or entities that operate PACE or the Family Care Partnership program; (d) reviewing utilization of long-term care services; (e) monitoring enrollments and disenrollments in MCOs; (f) using information gathered by governing boards of ADRCs and other available information, identifying any gaps in the availability of services, living arrangements, and community resources needed by older persons and persons with physical or developmental disabilities, and developing strategies to build capacity to provide those services, living arrangements, and community resources; (g) performing long-range planning on long-term care policy for individuals belonging to the client groups served by the ADRC; (h) annually reporting significant achievements and problems relating to the provision of long-term care services to DHS; and (i) reviewing and assessing IRIS.

Repeal provisions requiring DHS to: (a) establish regions for long-term care advisory committees, review the boundaries of the regions, and as appropriate, revise the regions; (b) specify the number of members that each governing board of a ADRC must appoint to a regional long-term care advisory committee; and (c) provide information and staff assistance to assist regional long-term care advisory committees in performing their statutory duties.

Currently, there are no active regional long-term care advisory committees.

Aging and Disability Resource Centers (ADRCs). Modify the requirement that ADRCs provide information regarding Family Care and which managed care organization (MCO) would best meet an individual's needs, to also include information on IRIS, the Program for All-Inclusive Care for the Elderly (PACE), and the Family Care Partnership program.

Repeal the requirement that, when Family Care first becomes available in the county where a nursing home, community-based residential facility (CBRF), adult family home, or residential; care apartment (RCAC) is located, the ADRC that serves that county must provide information about the services of the ADRC, including counseling concerning public and private benefit programs, about assessments and care plans, and about the Family Care benefit and the IRIS option to all older persons and adults with a physical or developmental disability who are residents of nursing homes, community-based residential facilities (CBRF), adult family homes, and residential care apartment complexes (RCAC) in the area of the resource center.

Require each ADRC governing board to review the number and types of grievances and appeals related to the ADRC, to determine if a need exists for system changes, and recommend system or other changes if appropriate. Currently, the ADRC governing boards are charged with reviewing the number and types of grievances and appeals concerning the long-term care system in the area served by the ADRC.

Repeal provisions that specify exceptions to a provision that prohibits a county, a tribe or band, a long-term care district or an organization, including a private, nonprofit corporation, could

directly operate both an ADRC and an MCO. The first exception requires the provision of eligibility screenings to be structurally separate from the provision of MCO services by January 1, 2001. The second exception allows DHS to approve separation of the functions of the ADRC from an MCO by a means other than creating a long-term care district to serve either as an ADRC or an MCO.

Repeal provisions that require the Secretary of DHS to certify to each county, hospital, nursing home, community-based residential facility (CBRF), adult family home, and residential care apartment complex (RCAC) the date on which an ADRC that serves the area of the county, hospital, nursing home, CBRF, adult family home, or RCAC is first available to perform functional screenings and financial and cost-sharing screenings.

Repeal provision that specifies that informational and referral requirements for RCACs, CBRFs, and nursing homes only applies if the DHS Secretary has certified that an ADRC is available for that RCAC, CBRF, or nursing home, and for the specified groups of eligible individuals that include those persons seeking admission to or the residents of that RCAC, CBRF, or nursing home.

Repeal the requirement that no nursing home may admit any patient until a physician has completed a plan of care for the patient and the patient is assessed or the patient is exempt from, or waives the assessment. This requirement does not apply to those residents for whom the DHS Secretary has certified that an ADRC is available. Consequently, with the statewide availability of ADRCs, this provision is obsolete.

Specify that funding for support, personal, or nursing services that a person who resides in an RCAC receives, other than private or third party funding, may be provided only under the community integration program (CIP) and in compliance with CIP statutes, except if the provider of the services is a certified MA provider or if the funding is provided as a Family Care benefit.

Appeals Procedure. Modify provisions relating to appeals of Family Care services to allow a person applying for eligibility for Family Care, an eligible person, or a Family Care enrollee to contest certain matters by filing, within 45 days of the failure of an ADRC or county to act on the contested matter within the time frames specified by rule by DHS or within 45 days after receipt of notice of a decision in a contested matter, a written request for a hearing to the Department of Administration's Division of Hearings and Appeals. Currently, a person applying for eligibility for Family Care, an eligible person, or a Family Care enrollee to contest certain matters by filing, within 45 days of the failure of an ADRC or MCO to act on the contested matter within the time frames specified by rule by DHS, or within 45 days after receipt of notice of a decision in a contested matter, a written request for a hearing to the Division of Hearings and Appeals.

Modify statutory provisions to, except as otherwise specified in state statute, allow a person applying for eligibility for Family Care, an eligible person, or a Family Care enrollee, to contest any of the following adverse benefit determinations by filing, within 90 days of the failure of the MCO to act on a contested adverse benefit determination within the time frames specified by rule by DHS or within 90 days after receipt of notice of a decision upholding the adverse benefit determination, a written request for hearing to the division of hearings and appeals: (a) denial of functional eligibility as a result of the MCO's administration of the long-term care functional

screen, including a change from a nursing home level of care to a non-nursing home level of care; (b) denial or limited authorization of a requested service, including determinations based on type or level of service, requirements of medical necessity, appropriateness, setting, or effectiveness of a covered benefit; (c) reduction suspension, or termination of a previously authorized service, unless the service was only authorized for a limited amount or duration and that amount or duration has been completed; (d) denial, in whole or in part, of payment for a service; (e) the failure of the MCO to act within the time frames specified in federal law regarding the standard resolution of grievances and appeals; (f) denial of an enrollee's request to dispute financial liability, including co-payments, premiums, deductibles, coinsurance, other cost sharing, and other member financial liabilities; (g) denial of an enrollee, who is a resident of a rural area with only one MCO, to obtain services outside the MCO's network of contracted providers; (h) development of a plan of care that is unacceptable to the enrollee because the plan of care requires the enrollee to live in a place that is unacceptable to the enrollee, the plan of care does not provide sufficient care, treatment, or support to meet the enrollee's needs and support the enrollee's identified outcomes, or the plan of care requires the enrollee to accept care, treatment, or support that is unnecessarily restrictive or unwanted by the enrollee; or (i) involuntary disenrollment from the MCO.

Modify the procedure for a Family Care enrollee to contest a decision, omission or action of an MCO other than those otherwise specified in state statute (and summarized above) by filing a grievance with the MCO. If the grievance is not resolved to the satisfaction of the enrollee, he or she may request that DHS review of the decision of the MCO. Current law allows the enrollee to contest a decision, omission or action of an MCO other than those specified state statute or may contest the choice of service provider. In these instances, the enrollee must first send a written request for review by the unit of DHS that monitors MCO contracts. This unit must review and attempt to resolve the dispute. If the dispute is not resolved to the satisfaction of the enrollee, he or she may request a hearing under the procedures specified in state law.

Specify that any person whose application for medical assistance is denied or is not acted upon promptly or who believes that the payments made in the person's behalf have not been properly determined or that his or her eligibility has not been properly determined may file an appeal with DHS pursuant to state statute. Specify that a review is unavailable if the decision or failure to act arose more than 45 days before submission of the petition for a hearing, except for in some circumstances, as outlined below. Provide that if federal regulations specify a different time limit to request a hearing than the one outlined in this paragraph or the paragraph below, the time limit in the federal regulations must apply.

Require that a person must request a hearing within 90 days of the date of receipt of a notice from an MCO upholding its adverse benefit determination relating to any of the following or within 90 days of the date the MCO failed to act on a contested matter within the time specified by DHS: (a) denial or limited authorization of a requested service, including a determination based on the type or level of service, requirements for medical necessity, appropriateness, setting, or effectiveness of a covered benefit; (b) reduction, suspension, or termination of a previously authorized service, unless the service was only authorized for a limited amount or duration and that amount or duration has been completed; (c) denial in whole or in part of payment for a service; (d) failure to provide services in a timely manner; (e) failure of an MCO to act within the federally required time frames regarding the standard resolution of grievances and appeals; (f) denial of an

enrollee's request to dispute financial liability, including co-payments, premiums, deductibles, coinsurance, other cost sharing, and other member financial liabilities; and (g) denial of an enrollee, who is a resident of a rural area with only one MCO, to obtain services outside the organization's network of contracted providers.

Specify that in cases of appeals the Department must render its decision as soon as possible after the hearing and must send a copy of its decision to the applicant or recipient, to the county clerk, and to any county officer charged with administration of the MA program. The bill would eliminate the need for the copy of the Department's decision to be certified.

Specify that, in addition to current circumstances under which the Department must deny a petition for a hearing or refuse to grant relief, the Department must deny a petition for a hearing or refuse to grant relief if the issue is an adverse benefit determination described in the paragraphs above made by an MCO and the person requesting the hearing has not exhausted the internal appeals procedure with the organization.

[Bill Sections: 48, 60, 193, 194, 197 thru 200, 202, 208, 316, 441 thru 483, 485, 651, 654, 660 thru 666, 682, 686, 687, 689, 696 thru 698, 706 thru 709, 722 thru 725, 731, 733 thru 745, 747 thru 749, 753, 754, 973, 980, 1110, 1354, 1387, 2078, 2109, 2110, 2112, and 2133 thru 2142]

28. CHILDLESS ADULT DEMONSTRATION

Governor: Repeal a provision that requires DHS to implement the provisions of a federal Medicaid waiver, approved on October 31, 2018, as it relates to program eligibility for adults without dependent children ("childless adults"), as well as related nonstatutory provisions contained in 2017 Act 370 providing timelines for implementation of specific provisions of the waiver. Repeal a provision that required the Department submit a request for the childless adult waiver and that identified the elements that must be included in the request. Authorize DHS to submit a request to the federal Department of Health and Human Services to modify or withdraw from the waiver.

The federal waiver contains the following elements: (a) monthly premiums of $8 for childless adults in households with income that exceeds 50% of the federal poverty level; (b) a reduction of the monthly premium by up to half for childless adults who do not engage in behaviors that increase health risks; (c) a 48-month time limit, tied to a work or community engagement requirement (failure to satisfy the work or community engagement requirement for a total of 48 months results in temporary ineligibility); (d) a requirement to complete a health risk assessment; and (e) an $8 copayment for the nonemergency use of a hospital emergency department. Under 2017 Act 370, DHS is required to implement the provisions of the waiver as soon as practicable after October 31, 2018, and no later than November 1, 2019, except that the time limit and health risk assessment provisions may take effect no sooner than October 31, 2019.

With the proposed elimination of the childless adult waiver, the Department would not provide funding to expand the FoodShare employment and training (FSET) program to provide a means for childless adults to satisfy the waiver's work or community engagement requirement. The Department's 2019-21 budget request, anticipating implementation of the waiver and an FSET

expansion, included funding of $5,556,200 ($2,840,600 GPR and $2,751,600 FED) in 2019-20 and $34,647,400 ($18,905,200 GPR and $15,742,200 FED) in 2020-21 to enroll MA recipients who are childless adults in FSET.

[Bill Sections: 673, 674, 2264, and 9119(5)]

29. REPEAL HEALTH SAVINGS ACCOUNT PROGRAM

Governor: Repeal the provisions of 2017 Wisconsin Act 271, which require the Department to seek federal approval to establish and implement a savings account program that is similar in function and operation to health savings accounts in the MA program.

The Department's 2019-21 budget request, anticipating implementation of the savings account program, included a request for an additional $330,000 ($82,600 GPR and $247,700 FED) in 2019-20 and $440,400 ($110,100 GPR and $330,300 FED) in 2020-21 to increase funding that DHS distributes to county income maintenance (IM) consortia and tribal IM agencies to meet workload requirements resulting from this policy change.

[Bill Section: 684]

30. MA ELIGIBILITY -- COOPERATION WITH CHILD SUPPORT AND ESTABLISHING PATERNITY

Governor: Modify current law as it pertains to cooperation with establishing child support orders, avoiding delinquent support, and cooperation in establishing paternity for purposes of MA eligibility.

Repealed Provisions. Repeal all provisions enacted in 2017 Wisconsin Act 268, as follows.

Child Support Noncompliance. Under current law, an able-bodied individual is ineligible for the MA program in a month in which the able-bodied adult: (a) is a custodial parent of, or lives with and exercises parental control over a child who is under the age of 18 and who has an absent parent; (b) refuses to cooperate fully, in good faith, with efforts directed at establishing or enforcing any support order or obtaining any other payments or property to which that adult of the child may have rights; and (c) does not have good cause for refusing to cooperate, as determined by DHS in accordance with federal law and regulations.

In addition, an able-bodied adult who is a noncustodial parent of a child under the age of 18 who refuses to cooperate in providing or obtaining support for the child is ineligible for MA benefits.

Paternity. Under current law, an able-bodied individual is ineligible for the MA program in a month in which the able-bodied adult: (a) is a custodial parent of, or lives with and exercises parental control over a child who is under the age of 18 and who has an absent parent; (b) refuses to cooperate fully, in good faith, with applicable efforts directed at establishing paternity of the child; and (c) does not have good cause for refusing to cooperate, as determined by DHS in

accordance with federal law and regulations.

In addition, an able-bodied adult is ineligible for MA benefits if the able-bodied adult refuses to cooperate fully, in good faith, with efforts directed at establishing paternity of the child and the able-bodied adult is: (a) alleged to be the father of a child under the age of 18; or (b) a noncustodial parent of a child under the age of 18 for whom paternity has not been established.

Delinquent Support. Under current law, an able-bodied individual is ineligible for the MA program in a month in which the adult is obligated by order granted inside or outside the state to provide support payments and is delinquent in making those payments unless any of the following is true: (a) the delinquency balance equals less than three months of the ordered support payment amount; (b) the court or a county child support agency is allowing the able-bodied adult to delay the child support payments; (c) the able-bodied adult is complying with a payment plan approved by a county child support agency; (d) the able bodied adult is participating in an employment and training program, as determined by DHS; or (e) the able-bodied adult is participating in a substance abuse treatment program, as determined by the Department.

Inapplicability for Dependent Children and Notification Requirements. Current law specifies that a dependent child remains eligible for MA even if a person charged with the care and custody of the of the dependent child is ineligible because he or she did not comply with the section. In addition, DHS and county human services are required to notify each MA applicant of these requirements at the time of application.

Implementation Conditioned on Federal Approval and Budget Neutrality. Act 268 specifies that if DHS or the Department of Children and Families (DCF) determines that federal approval is required to implement these requirements, the applicable agency must seek approval through an MA state plan amendment or request a waiver from the U.S. Department of Health and Human Services (DHHS). The state Departments must implement these requirements to the extent that DHHS does not disapprove the plan amendment or waiver request, if DCF determines that these provisions may be implemented in a way that is substantially state budget neutral in regard to child support fees.

DHS has indicated that, barring a change to federal law, these provision cannot be implemented in a substantially state budget-neutral manner in regard to child support fees. As such, DHS has not implemented any of the Act 268 provisions to date.

Restored Provisions. Act 268 repealed a requirement that, as a condition of eligibility for MA, a person must cooperate in good faith with efforts directed at establishing the paternity of a non-marital child and obtaining support payments or any other payments or property to which the person and the dependent child or children may have rights. This cooperation must be in accordance with federal law and regulations applying to paternity establishment and collection of support payments and cannot be required if the person has good cause for refusing to cooperate, as determined by DHS in accordance with federal law and regulations.

Under the Governor's budget bill, this provision would be restored.

Differences between Repealed and Restored Provisions. Substantive differences between the Act 268 provisions and the pre-Act 268 provisions that would be restored in the bill include the eligibility requirements surrounding delinquent support that Act 268 imposes, which were not part of the previous eligibility requirements and are therefore not part of the provisions included in the Governor's budget. Additionally, DHS interpreted the pre-Act 268 requirement that a person must cooperate with efforts directed at obtaining support payments to mean that the custodial parent must identify the birth father to the child support agency, other than in circumstances where the individual has good cause for refusing to cooperate as determined by DHS. The Act 268 requirement clearly specifies that the child support and paternity compliance requirements apply to both the custodial and non-custodial parent, and apply to not only establishing, but also enforcing child support orders.

With the proposed elimination of the revised child support and paternity compliance requirements, no funding would be necessary for implementation. The Department's 2019-21 budget request, anticipating implementation of the revised child support and paternity compliance requirements, included $276,300 ($69,100 GPR and $207,200 FED) in 2019-20 and $828,800 ($207,200 GPR and $621,600 FED) in 2020-21 to increase funding DHS distributes to county income maintenance (IM) consortia and tribal IM agencies to meet workload resulting from this policy change.

[Bill Sections: 668, 670, and 694]

31. JOINT COMMITTEE ON FINANCE REVIEW AND APPROVAL OF CERTAIN MA PROGRAM CHANGES

Governor: Repeal provisions enacted as part of 2017 Wisconsin Act 370 that require DHS to submit all MA state plan amendments, rate changes, and supplemental payments to the Joint Committee on Finance for review and approval if: (a) explicit expenditure authority or funding for the specific change or supplemental payment has not been included in enacted legislation; and (b) the amendment, rate change, or payment has an expected fiscal effect of $7,500,000 or more from all revenue sources over a 12-month period following the implementation date of the amendment, rate change, or payment. Repeal the 14-day passive review process as it applies to the Committee's review of all MA state plan amendments, rate changes, and supplemental payments under this provision.

[Bill Section: 653]

32. JOINT COMMITTEE ON FINANCE REVIEW PROCESS FOR FEDERAL WAIVERS, PILOT PROGRAMS, AND DEMONSTRATION PROJECTS

Governor: Repeal provisions enacted as part of 2017 Act 370 that require DHS to follow various procedures related to requests to a federal agency for a waiver, or a renewal, modification, withdrawal, suspension, or termination of a waiver of federal law or rules, or for federal authorization to implement a pilot program or demonstration project (collectively referred to as "waiver requests" hereafter).

The Act 370 provision that would be repealed does the following: (a) prohibits DHS from submitting a waiver request unless legislation has been enacted specifically directing the submission of the request; (b) requires DHS to submit implementation plans to the Joint Committee on Finance for waiver requests that the Department is required to submit but which have not yet been submitted; (c) requires DHS to submit any waiver request to the Committee for approval prior to submittal to a federal agency; (d) requires DHS to provide monthly progress reports and provide quarterly testimony upon request to the Committee on waiver requests that have been submitted but not yet acted upon by a federal agency; (e) requires DHS to submit any waiver request approved by a federal agency to the Committee for approval before the Department agrees to the final proposal; (f) requires DHS to submit an implementation plan to the Committee for approval of any waiver request that has been approved by a federal agency but not yet fully implemented; (g) requires DHS to provide monthly progress reports and provide quarterly testimony upon request to the Committee on waiver requests that have been approved but not yet fully implemented; (h) requires DHS to submit an application for a renewal of a waiver request to the Committee for approval and authorizes the Co-Chairs to determine whether the renewal request contains substantial modifications, in which case the renewal request must comply with the procedures and requirements outlined above for initial requests; and (i) authorizes the Committee to reduce DHS appropriations or authorized positions if the Committee determines that the Department is not making sufficient progress in complying with these provisions.

Repeal an Act 370 provision that requires the Office of the Commissioner of Insurance to comply with the waiver request oversight provisions described above as it relates to any renewal or modification of a waiver request for the Wisconsin healthcare stability program. The bill would not otherwise modify the provisions of that program.

[Bill Sections: 318 and 2069]

Medicaid Services Administration

1. DIVISION OF MEDICAID SERVICES ADMINISTRATION -- CONTRACTS AND OTHER SUPPLIES AND SERVICES

GPR	$19,813,000
FED	64,078,500
Total	$83,891,500

Governor: Provide $51,136,100 ($11,270,100 GPR and $39,866,000 FED) in 2019-20 and $32,755,400 ($8,542,900 GPR and $24,212,500 FED) in 2020-21 to reflect the net effect of funding adjustments to appropriations that support contracted services and general program operations for the Division of Medicaid Services (DMS). Factors resulting in these funding adjustments include projects to modify claims and eligibility information systems to implement state and federal law and policy changes, and rate increases incorporated into current contracts.

Contract Costs. Provide $50,514,900 ($10,948,700 GPR and $39,566,200 FED) in 2019-20 and $31,936,000 ($8,118,300 GPR and $23,817,700 FED) in 2020-21 to increase funding to

support contracted services for DMS. The Medicaid fiscal agent, DXC Technology (DXC) is responsible for business functions, including claims processing, provider enrollment, customer service, federal and state reporting, and program integrity. This item includes the estimated costs of a recently negotiated base contract, implementing enhancements to the Medicaid Management Information System (MMIS), and services DXC will provide that are not included in the base contract.

The client assistance and re-employment and economic support (CARES) system is used by county and state income maintenance staff to determine eligibility and manage cases for Medicaid, SeniorCare, FoodShare, and several other public assistance programs. Funding is budgeted to support the CARES vendor, Deloitte, to maintain the system and to conduct programming services. Funding is also budgeted for DHS to pay the Department of Administration for mainframe, Internet support, and application hosting services.

Other contracts include: (a) a contract with Fidelity National Information Services to provide electronic benefit transfer (EBT) services for the FoodShare program; (b) a contract with the Medicaid enrollment broker (MAXIMUS) to assist recipients in enrolling in Medicaid managed care plans; (c) numerous external contracts with private and public entities that provide specialized administrative services, including MetaStar, Disability Rights Wisconsin, PSG, and the University of Wisconsin; (d) services provided by other state agencies and units within DHS, including hearings conducted by the Department of Administration's inter-agency and intra-agency agreements, disability determinations conducted by the DHS Bureau of Disability Determinations, and ombudsman services provided by the Board on Aging and Long-Term Care; and (e) general payments, including license and subscription fees.

The following table summarizes the total amounts that would be budgeted for contracted services under the bill, the base GPR and FED funding budgeted for these DMS contracts, and the difference, which is the amount that would be provided under this item.

Summary of Total Funding Requested for Division of Medicaid Services Contracts
Governor's Bill

	2019-20				2020-21			
	GPR	FED	PR	Total	GPR	FED	PR	Total
Fiscal Agent Contract (DXC)								
Base Contract	$20,658,300	$46,746,200	$2,837,000[1]	$70,241,500	$20,772,700	$46,978,700	$2,837,000	$70,588,400
Ongoing Costs Excluded from Base	3,182,300	6,460,900	0	9,643,200	3,182,300	6,460,900	0	9,643,200
Subtotal	$23,840,600	$53,207,100	$2,837,000	$79,884,700	$23,954,900	$53,439,600	$2,837,000	$80,231,600
Medicaid Management Information System -- Procurement	$4,489,500	$37,901,600	$0	$42,391,100	$4,089,300	$29,893,800	$0	$33,983,100
Client Assistance for Reemployment and Economic Support (CARES) System	26,694,200	61,449,300	668,300[2]	88,811,800	27,113,600	61,598,200	675,700	89,387,500
Medicaid Enrollment Broker	830,900	830,900	0	1,661,800	831,400	831,400	0	1,662,800
FoodShare EBT Contract	854,300	854,300	0	1,708,600	854,300	854,300	0	1,708,600
Major External Contracts	20,104,900	42,088,900	2,425,000[3]	64,618,800	17,150,900	33,976,700	2,425,000	53,552,600
Inter-Agency and Intra-Agency Agreements	2,470,600	3,107,000	1,124,400[4]	6,702,000	2,460,200	3,096,600	1,124,400	6,681,200
General Payments	492,000	243,200	543,100[5]	1,278,300	492,000	243,200	543,100	1,278,300
Total	**$79,7787,000**	**$199,682,300**	**$7,597,800**	**$287,057,100**	**$76,946,600**	**$183,933,800**	**$7,605,200**	**$268,485,700**
Base Funding	$68,828,300	$160,116,100			$68,828,300	$160,116,100		
Difference -- Funding Increase for Contracts	**$10,948,700**	**$39,566,200**		**$50,514,900**	**$8,118,300**	**$23,817,700**		**$31,936,000**

[1] $2,366,000 in Senior Care enrollment fee revenue and $471,000 in revenues transferred from the Department of Children and Families.

[2] Child care funds transferred from the Department of Children and Families.

[3] Includes $2,200,000 PR in Medicaid collections generated through performance contracts and $225,000 PR in revenues transferred from DCF. Excludes funding from federal grants ($476,200 FED) and federal project aids ($1,106,100 FED).

[4] Funds transferred from DCF. Excludes $3,700 GPR budgeted in the DMS general program operations appropriation.

[5] Medicaid collections generated through performance contracts.

With the proposed repeal of the pay-for-performance payment system for FoodShare employment and training (FSET) program vendors enacted in 2017 Act 266 and the 2017 Act 271 provisions relating to the establishment of health savings accounts for certain MA recipients, no funding would be provided in the bill relating to contracted services to implement these initiatives. The Department's 2019-21 budget request, anticipating implementation of these initiatives, included $600,000 ($300,000 GPR and $300,000 FED) in 2019-21 and $100,000 ($50,000 GPR and $50,000 FED) in 2020-21 to fund contracted services relating to the FSET pay-for-performance system and $1,600,000 ($400,000 GPR and $1,200,000 FED) in 2019-20 and $3,960,000 ($1,940,000 GPR and $2,020,000) in 2020-21 to fund contracted services relating to health savings accounts.

Supplies and Services Support for DMS Staff. Provide $621,200 ($321,400 GPR and $299,800 FED) in 2019-20 and $819,400 ($424,600 GPR and $394,800 FED) in 2020-21 to fund projected increases in rent for Milwaukee Enrollment Services (MilES), information technology, and postage costs.

2. SSI AND CARETAKER SUPPLEMENT REESTIMATE

GPR	- $8,194,000
PR	- 3,433,600
Total	- $11,627,600

Governor: Reduce funding by $6,369,000 (-$4,652,200 GPR and -$1,716,800 PR) in 2019-20 and by $5,258,600 (-$3,541,800 GPR and -$1,716,800 PR) in 2020-21 to reflect the administration's estimates of funding that will be needed to support supplemental security income (SSI) state supplement and caretaker supplement payments in the 2019-21 biennium. SSI provides federal and GPR-funded benefits to low-income residents who are elderly, blind, or disabled. Recipients with dependent children may also receive a caretaker supplement payment supported by federal temporary assistance to needy families (TANF) funds transferred as program revenue from the Department of Children and Families (DCF).

SSI State Supplement. Reduce funding by $4,652,200 GPR in 2019-20 and by $3,541,800 GPR in 2020-21 to fully fund projected costs of state supplemental SSI benefits Base funding for these payments is $163,289,200 GPR, which is budgeted in a sum sufficient appropriation. The bill would provide a total of $158,637,000 GPR in 2019-20 and $159,747,400 GPR in 2020-21 to fund SSI state supplement payments. In March, 2019, 118,797 individuals received state supplemental SSI payments.

Caretaker Supplement. Reduce funding by $1,716,800 PR annually to reflect estimates of the amounts needed to fully fund projected SSI caretaker supplement benefit payments. DHS provides SSI recipients with a monthly payment of $250 for the first dependent child and $150 for each additional dependent child. Base TANF funding for the caretaker supplement is $26,038,000. The bill would provide a total of $24,321,200 PR in each year of the 2019-21 biennium to fund benefit payments, which is equal to the annualized average actual expenditure level between January and June of 2018.

3. CHILDREN'S LONG-TERM SUPPORT WAIVER PROGRAM -- ADMINISTRATION

GPR	$1,562,400
FED	2,967,000
Total	$4,529,400

Governor: Provide $2,090,300 ($687,800 GPR and $1,402,500 FED) in 2019-20 and $2,439,100 ($874,600 GPR and $1,564,500 FED) in 2020-21 to implement a statewide contract for children's long-term care intake, application, and screening functions. The contract would include administration of all Katie Beckett MA screens and all initial screens for the children's long-term support (CLTS) waiver program and the children's community options program. The funding for this contract was budgeted in the Department's MA benefits appropriations, but should instead be budgeted in appropriations that support contracted MA services.

As part of the contract, funding would be provided for: (a) five children's services navigators

to help direct families towards available community resources, programs, and services; (b) two children's disability resource specialists to assist families with complex or multisystem concerns experienced when seeking support for their children with disabilities; and (c) two children's disability ombudsmen to provide advocacy services for children with long-term support needs.

4. FUNERAL AND CEMETERY AIDS

GPR	- $513,900

Governor: Reduce funding by $370,800 in 2019-20 and $143,100 in 2020-21 to reflect estimates of the amount of funding necessary to support payments under the Wisconsin funeral and cemetery aids program (WFCAP). Under the program, DHS reimburses costs incurred by funeral homes, cemeteries, and crematories for services they provide to certain deceased individuals who were eligible for medical assistance or Wisconsin Works benefits at the time of their death. DHS is required to pay up to $1,000 for cemetery expenses and up to $1,500 for funeral and burial expenses not covered by the decedent's estate or other persons. The program does not provide any reimbursement if the total funeral expenses exceed $4,500 or total cemetery expenses exceed $3,500.

Base funding for the program is $9,410,600. The administration projects that $8,803,600 in 2018-19, $9,039,800 in 2019-20, and $9,267,500 in 2020-21 will be needed to support reimbursement payments.

5. ELIMINATE BIRTH RECOVERY COST REQUIREMENTS

Governor: Modify current law as it pertains to the state's ability to recover birth costs for MA covered births and a court's ability to order birthing costs.

Create an exception to the current law requirements that as a condition of eligibility for MA, a person must be deemed to have assigned to the state, by applying for or receiving MA, any rights to medical support or other payment of medical expenses from any other person, including rights to unpaid amounts accrued at the time of the application for MA as well as any rights to support accruing during the time for which MA is paid.

Specify that the exception to current law would be that the state may not seek recovery of birth expenses. Under current law, if the mother of a child was enrolled in a health maintenance organization (HMO) or other prepaid health care plan under MA at the time of the child's birth, the state may recover birth expenses incurred by the HMO or other prepaid health care plan. Federal law requires that the Department of Children and Families provide an incentive payment of 15% of all amounts of medical support (including birth costs) collected by local child support enforcement efforts. The bill would effectively reduce local revenues because birth costs would no longer be collectible.

Eliminate the Department of Revenue's (DOR) ability to reduce an obligor's tax refund or credit by the outstanding amount for birth expenses. Eliminate the Department of Administration's (DOA) ability to reduce an obligor's vendor or other state payments (except for wages, retirement benefits, veterans' housing loans provided under statutory provisions from 1971, veterans

subsistence aid, or assistance under state statutes regarding social services, unemployment insurance, and the Department of Corrections) by the outstanding amount for birth expenses.

Amend current law to require that upon an obligor's appeal of DOR's or DOA's decision to withhold or reduce a tax refund, tax credit, or other state payment, the obligor's ability to pay must also be an issue if the obligation relates to an order regarding birth expenses and the order specifies that the court found that the obligor's income was at or below the federal poverty level. Under current law, the obligor's ability to pay must be an issue at the hearing if the obligation relates to birthing costs imposed as part of an order of voluntary acknowledgement of paternity, or a paternity judgement or order.

Repeal statutory requirements that birthing costs be imposed as part of a court order for the voluntary acknowledgement of paternity, or in a paternity judgement or order.

Require that these amendments first apply to an order or judgement relating to paternity issued on the effective date of these provisions.

Amend current statutory provisions pertaining to birth recovery costs to reflect technical changes to improve clarity and scope of DOR statutes pertaining to debt collection. [See "Revenue -- Tax Administration."]

[Bill Sections: 669, 671, 726, 727, 2118, 2119, and 9319(2)]

6. QUI TAM ACTIONS FOR FALSE CLAIMS

Governor: Create provisions that authorize private individuals to bring qui tam claims against a person who makes a false or fraudulent claim for reimbursement under any state-funded program, including medical assistance. If the government recovers money from such a case, the individual may be entitled to an award or a percentage of the recovery, up to 30% of the amount that is recovered.

The provision would enable the state to comply with requirements of the federal False Claims Act, which created a financial incentive for states to strengthen their Medicaid fraud and abuse laws, so that if a state enacts provisions in state law that are modeled on the federal version of the False Claims Act, CMS will increase the state's share of amounts recovered by 10 percentage points. Without the incentive, states retain a portion of recovered funds equal to the state's share of MA benefit costs (approximately 41% for most services in Wisconsin). With the incentive, the state would retain approximately 51% of amounts recovered under the state's false claims laws.

The overall effect of these qui tam claim provisions on total MA recoveries and fraudulent Medicaid claims submitted by health care providers is unknown. The bill does not assume an increase in MA collections in the 2019-21 biennium should these provisions be enacted.

For a complete description of these provisions, see "Justice."

Public Health

1. LEAD EXPOSURE AND POISONING PREVENTION

	Funding	Positions
GPR	$8,904,000	2.14
FED	27,100,500	0.00
Total	$36,004,500	2.14

Governor: Provide $19,945,900 ($3,859,600 GPR and $16,086,300 FED) in 2019-20 and $16,058,600 ($5,044,400 GPR and $11,014,200 FED) in 2020-21 and 2.14 GPR positions, beginning in 2019-20, to support lead exposure prevention activities, as described below. Modify the lead poisoning or lead exposure prevention grant program to specify that grants may be made for residential lead hazard abatement, residential lead hazard reduction, and lead abatement worker training.

CHIP Funding for Lead Abatement. Provide $17,973,400 ($2,136,200 GPR and $15,837,200 FED) in 2019-20 and $14,335,700 ($3,321,500 GPR and $11,014,200 FED) in 2020-21 for lead abatement involving residential properties occupied by children and pregnant women eligible for MA or the children's health insurance program (CHIP). The state and federal share of these amounts reflects the CHIP federal matching rate applicable for the biennium, which is projected at 85.92% in 2019-20, and to 74.42% in 2020-21. The federal funding would be provided from the state's federal CHIP allocation. Lead abatement involves the removal of lead-based paint from homes of children who have been identified as having elevated blood lead levels or who are at risk of lead poisoning.

The Department intended to begin funding lead abatement services in 2018-19, using CHIP funds and state matching funds from base resources. Accessing federal CHIP funds for this purpose requires an amendment to the state's federal CHIP plan, and such plan amendments must be approved by the Joint Committee on Finance prior to submittal to the federal Department of Health and Human Services. On February 14, 2019, the Department submitted a proposed plan amendment to the Committee under a 14-day passive review process. However, an objection to the plan amendment was registered, so the Department cannot submit the amendment unless the Committee meets to approve it. To date, no meeting had been scheduled to review the plan amendment. Consequently, DHS had not implemented this provision. This item would provide funding in the 2019-21 biennium, although implementation of this initiative would still require the Committee to approve an amendment to the state's CHIP plan.

Abatement for Properties Not Occupied by CHIP-Eligible Children. Provide $1,000,000 GPR annually for lead abatement grants for properties not occupied by children enrolled in MA or CHIP.

Abatement Training Grants. Provide $50,900 GPR and $249,100 FED in 2019-20 to fund lead abatement training grants, with the intent of expanding the certified lead abatement workforce. Since this initiative would use federal CHIP funds, it would also require a CHIP plan amendment.

Public Health Outreach. Provide $500,000 GPR annually for grants to physician groups to establish a peer-to-peer public health outreach programs to increase lead testing among children

at risk for lead poisoning.

State Staff. Provide $172,500 GPR in 2019-20 and $222,900 GPR in 2020-21 and 2.14 positions, beginning in 2019-20, for lead exposure and poisoning prevention activities. Of these positions, 1.0 would be a public health educator project position in the Division of Public Health, to administer the public health outreach initiative. The other 1.14 positions would be permanent positions to enhance the Department's lead poisoning prevention programs. The Department indicates that it would reallocate 2.86 existing federal positions to supplement the permanent 1.14 GPR positions, to provide a total of 4.0 positions for the program. These positions would replace 4.0 contract positions currently conducting program activities (a contract specialist, a public health nurse, a database specialist, and an epidemiologist).

The following table summarizes the funding provided for the lead exposure and poisoning prevention initiative under this item. A separate item, summarized under Medical Assistance, would provide $3,500,100 annually to make incentive payments to BadgerCare Plus HMOs to increase the rate of blood lead testing of children enrolled in MA.

Summary of Proposed Lead Exposure and Poisoning Prevention Funding

	2019-20			2020-21		
	GPR	FED	Total	GPR	FED	Total
Lead Abatement Grants	$2,136,200	$15,837,200	$17,973,400	$3,321,500	$11,014,200	$14,335,700
Non-CHIP Abatement	1,000,000	0	1,000,000	1,000,000	0	1,000,000
Workforce Training	50,900	249,100	300,000	0	0	0
Public Health Outreach	500,000	0	500,000	500,000	0	500,000
State Positions	172,500	0	172,500	222,900	0	222,900
Total	$3,859,600	$16,086,300	$19,945,900	$5,044,400	$11,014,200	$16,058,600

[Bill Sections: 1941 thru 1949]

2. BIRTH TO 3 PROGRAM

GPR	$9,150,000

Governor: Provide $1,550,000 in 2019-20 and $7,600,000 in 2020-21 to expand access to services under the Birth to 3 Program. Under this item, DHS would increase the number of children who would be eligible for services to include all at-risk children with lead exposure levels at or above five micrograms per deciliter (mg/dl). Wisconsin's current eligibility standard for the program, as it pertains to lead exposure, is 10 mg/dl. The administration estimates that this change would result in an additional 2,000 children becoming eligible for Birth to 3 services. In 2017, approximately 12,100 children received services under the program.

The Birth to 3 program offers early intervention services to children, ages birth to three, who are identified with, or determined to be at risk for developmental delays. Currently, a child is eligible for services if the child has a developmental delay of at least 25% in one area of development or is diagnosed by a physician as having a high probability of developmental delay. The program is funded from several sources, including federal funds the state receives under the

Individuals with Disabilities Education Act, county funds, community aids, medical assistance, private insurance, and parental cost sharing.

Funding for the Birth to 3 eligibility expansion is partially offset by a one-time $2,250,000 GPR reduction in funding that would be budgeted to support the children's community options program (CCOP) in 2019-20. However, DHS would use a corresponding amount of funding for the program carried over from the current biennium to maintain funding for CCOP in each year of the 2019-21 biennium at its current budgeted level ($11.2 million per year).

CCOP provides supports and services to children (under 22 years of age) living at home or in the community who have one or more of the following long-term disabilities: developmental disabilities, physical disabilities, or severe emotional disturbances. The child's disability is characterized by a substantial limitation on the ability to function in at least two of the following areas: (a) self-care, (b) receptive and expressive language, (c) learning, (d) mobility, and (e) self-direction. Additionally, eligible children must require a level of care typically provided at an intermediate care facility for individuals with intellectual disabilities, a nursing home, or a hospital.

The following table summarizes the funding changes for the Birth to 3 program and CCOP under the bill.

Governor's Budget Recommendations
Birth to Three and Children's COP Funding (GPR)

	2019-20		2020-21	
	CCOP	Birth to 3	CCOP	Birth to 3
Base	$11,200,000	$5,789,000	$11,200,000	$5,789,000
Carryover from 2018-19	2,250,000	0	0	0
Total Available	$13,450,000	$5,789,000	$11,200,000	$5,789,000
Funding Change in This Item	-2,250,000	3,800,000	0	7,600,000
Total Available for Services (Governor's Bill)	$11,200,000	$9,589,000	$11,200,000	$13,389,000
Change in Available Funding	$0	$3,800,000	$0	$7,600,000

3. TOBACCO USE CONTROL

GPR	$6,600,000

Governor: Provide $3,300,000 annually to increase state-funded tobacco use control activities administered by the Division of Public Health, from $5,315,000 annually to $8,615,000 annually. Although not specified in the bill, the funding increase has three purposes.

First, $2,300,000 annually would be provided to increase support for the University of Wisconsin Center for Tobacco Research and Intervention's (UW-CTRI) Wisconsin Tobacco Quit Line. The Wisconsin Tobacco Quit Line is a free service to help people quit smoking, vaping, and using tobacco in other ways by providing free one-on-one phone counseling and information, local cessation program referrals, and starter packs of medications such as nicotine gum, patches, and lozenges. The program is funded through a combination of GPR and federal grants. In 2018-19,

DHS provided approximately $672,800 GPR for the program.

In addition, $500,000 of the additional funding in each year would be provided to the Wisconsin Nicotine Treatment Integration Project, which integrates evidence-based nicotine dependence treatment into behavioral health services. In 2018-19, this program received $42,680 in GPR funding and an additional one-time $112,000 FED from the community mental health services block grant distributed by the Department.

Finally, the bill would provide $500,000 in each year to improve outreach and cessation resources to individuals who have adverse childhood experiences (ACEs). This funding would be provided to the UW-CTRI to establish a grant program to increase the number of practitioners across the state who understand the impact of trauma and are able to identify ACE indicators among patients with tobacco use.

4. DEMENTIA INITIATIVES

GPR	$4,939,800
FED	844,000
Total	$5,783,800

Governor: Provide $2,883,600 ($2,461,600 GPR and $422,000 FED) in 2019-20 and $2,900,200 ($2,478,200 GPR and $422,000 FED) in 2020-21 to expand the dementia care specialist program on a statewide basis and to create a dementia training program for health care providers.

ADRC Dementia Care Specialist Program. Expand the dementia care specialist program to all aging and disability resource centers (ADRCs) by funding an additional 27 dementia care specialists and three tribal dementia care specialists.

Dementia care specialists are not state employees but rather are employed by county ADRCs. Currently there are 21 dementia care specialists working in ADRCs, covering 34 counties, as well as three tribal dementia care specialists employed by tribal agencies.

Dementia Training for Health Care Providers. Define "academic detailing" to mean a teaching model under which health care experts are taught techniques for engaging in interactional educational outreach to other health care providers and clinical staff to provide information on evidence-based practices and successful therapeutic interventions with the goal of improving patient care.

Require DHS to establish and implement a two-year academic detailing primary care clinic dementia training program in 10 primary care clinics in the state through a contract with the Wisconsin Alzheimer's Institute.

Require that DHS, as part of the training program, provide primary care providers with clinical training and access to educational resources on best practices for diagnosis and management of common cognitive disorders, and referral strategies to dementia specialists for complicated or rare cognitive or behavioral disorders.

Require DHS to ensure that the training program includes at least the following three components: (a) the most current research on effective clinical treatments and practices is systematically evaluated by the academic detailing team; (b) information gathered and evaluated as part of (a) is packaged into an easily accessible format that is clinically relevant, rigorously

sources, and compellingly formatted; and (c) training is provided for clinicians to serve as academic detailers that equips them with clinical expertise and proficiency in conducting an interactive educational exchange to facilitate individualized learning among participating primary care practitioners in the target clinics.

Funding for the dementia training for health care providers ($61,600 GPR in 2019-20 and $78,200 GPR in 2020-21) would be provided on a one-time basis.

[Bill Section: 9119(3)]

5. DENTAL SERVICES -- PUBLIC HEALTH

	Funding	Positions
GPR	$2,979,000	4.60

Governor: Provide $1,189,500 in 2019-20 and $1,789,500 in 2020-21 and 4.60 positions, beginning in 2019-20, to support three dental health initiatives in the Division of Public Health.

Seal-a-Smile. Provide $275,000 in 2019-20 and $450,000 in 2020-21 to increase the scope and funding levels for grants DHS provides under the Seal-A-Smile program.

Under current law, DHS is required to award annual grants, totaling $170,000 annually, for fluoride supplements ($25,000), a fluoride mouth-rinse program ($25,000), and a school-based dental sealant program ($120,000). [In practice, DHS has allocated approximately $350,000 GPR per year for the school-based dental sealant program.] Under the bill, beginning in 2020-21, DHS would be required to award annual grants totaling no less than $50,000 for fluoride varnish and other evidence-based oral health activities, $700,000 for school-based preventive dental services, and $100,000 for school-based restorative dental services.

Notwithstanding the annual allocation amounts described above, in fiscal year 2019-20, DHS would be directed to award $525,000 for school-based preventive dental services, $100,000 for school-based restorative dental services, and $50,000 for fluoride varnish and other evidence-based oral health activities.

The following table summarizes these funding changes in the bill.

Seal-A-Smile Funding Allocations

	2019-20			2020-21		
	Base	Bill	Change	Current	Bill	Change
Fluoride Supplements	$25,000	$0	-$25,000	$25,000	$0	-$25,000
Fluoride Mouth-Rinse Program	25,000	0	-25,000	25,000	0	-25,000
School-Based Dental Sealant Program*	350,000	0	-350,000	350,000	0	-350,000
School-Based Preventive Dental Services	0	525,000	525,000	0	700,000	700,000
School Based Restorative Dental Services	0	100,000	100,000	0	100,000	100,000
Fluoride Varnish and Other Evidence-Based Oral Health Activities	0	50,000	50,000	0	50,000	50,000
Total	$400,000	$675,000	$275,000	$400,000	$850,000	$450,000

* The statutory allocation is $120,000 per year.

Dental Clinics. Provide $425,000 in 2019-20 and $850,000 in 2020-21 to increase funding for grants provided to dental clinics that serve low-income patients.

Under current law, DHS is required to distribute grants to no fewer than nine nonprofit dental clinics in Wisconsin that are not federally qualified health centers and which primarily serve low-income patients. Base funding for these grants is $850,000 GPR annually. The Department indicates that the total amount of funding requested through this program was approximately $2,000,000 in 2018-19.

Oral Health Program Positions. Provide $489,500 annually to support 4.60 positions, beginning in 2019-20, in the Division of Public Health to expand dental services to MA, BadgerCare Plus, and other low-income patients.

The funding in the bill is intended to replace federal grants from the Health Research Services Agency and the Centers for Disease Control which had previously been used to fund these positions. In the summer of 2018 the Department was informed that this federal funding would no longer be provided.

[Bill Sections: 1892 and 9119(1)&(6)]

6. DENTAL THERAPY TRAINING

GPR	$1,500,000

Governor: Provide $500,000 in 2019-20 and $1,000,000 in 2020-21 to fund one-time grants to educational institutions for costs associated with beginning a dental therapy training program. Direct DHS to establish criteria for approving and distributing these grants. The administration's intent is to provide grant funding for this purpose in the 2019-21 biennium only, from a current appropriation that supports aids and local assistance relating to public health services.

[Bill Section: 9119(1)]

7. MINORITY HEALTH

GPR	$767,200
PR	- 267,200
Total	$500,000

Governor: Provide $250,000 ($383,600 GPR and -$133,600 PR) annually to increase funding for grants under the minority health program, and to reflect a change in the program's funding source from PR to GPR. Modify the criteria used to distribute these grants to specify that DHS must give priority to applicants that provide maternal and child health services.

Under current law, the Department is budgeted $113,600 PR annually from Indian gaming receipts to fund grants for activities to improve the health status of economically disadvantaged minority group members. DHS awards grants of up to $50,000 per year, and grantees must provide at least 50% of the grant amount in matching funds, either in funding or as in-kind contributions. The bill would repeal the PR appropriation, and create a GPR appropriation to fund the program instead.

Under current law, DHS is also required to award, from the same PR appropriation, a grant

of up to $50,000 to a private nonprofit corporation to conduct a public information campaign on minority health. Under the bill, this grant would also be funded by GPR. [See "Administration -- Division of Gaming."]

[Bill Sections: 189, 191, 279, 1893, and 1894]

8. HEALTHY AGING GRANT

GPR	$500,000

Governor: Provide $250,000 annually and require DHS to award a grant of $250,000 in each fiscal year to an entity that conducts programs in healthy aging. Create an appropriation in the Department's Division of Public Health for this purpose.

[Bill Sections: 188 and 486]

9. WISCONSIN CHRONIC DISEASE PROGRAM

GPR	- $535,100
PR	- 62,600
Total	- $597,700

Governor: Reduce funding by $399,300 (-$346,100 GPR and -$53,200 PR) in 2019-20 and by $198,400 (-$189,000 GPR and -$9,400 PR) in 2020-21 to reflect estimates of the amounts needed to fund the Wisconsin Chronic Disease Program (WCDP) in the 2019-21 biennium. The WCDP funds services for individuals with chronic renal disease, hemophilia, and adult cystic fibrosis that are not covered by other public or private health insurance plans. Enrollees in WCDP are responsible for deductibles and coinsurance based on their household income and size, and copayments on prescription medications. The Department receives rebate revenue from drug manufactures for medications dispensed through WCDP, which is budgeted as program revenue.

Base funding for the program is $5,165,000 ($4,128,300 GPR and $1,036,700 PR). The administration estimates total program costs will be $4,765,700 ($3,782,200 GPR and $983,500 PR) in 2019-20 and $4,966,600 ($3,939,300 GPR and $1,027,300 PR) in 2020-21. The estimate includes $250,000 GPR annually as a contingency that would be available if costs exceed the administration's estimates.

10. DISPATCHER ASSISTED CARDIOPULMONARY RESUSCITATION

GPR	$211,800

Governor: Provide $105,900 annually, beginning in 2019-20, for DHS to assist public safety answering points (PSAPs) in complying with dispatcher training requirements on telephonic assistance on administering cardiopulmonary resuscitation (CPR) enacted in 2017 Wisconsin Act 296. This funding includes: (a) $75,900 GPR annually for DHS to distribute, either as grants to PSAPs or to contract with an entity to provide training to PSAPs; and (b) $30,000 annually to fund supplies and services for the program, budgeted in the Division of Public Health's general program operations appropriation.

Act 296 requires, by May 1, 2021, every PSAP to provide, in appropriate circumstances, telephonic assistance on administering CPR by either: (a) providing each dispatcher with training

in CPR, as specified in the act; or (b) transferring callers to a dedicated telephone line, telephone center, or another PSAP to provide the caller with assistance in administering CPR. Act 296 specifies that if a PSAP transfers a call, it must use an evidence-based protocol for identifying persons in need of CPR, provide appropriate training and continuing education on this protocol; and (d) ensure that the entity to which the call is transferred meets training requirements specified in the act. Act 296 provided $250,000 GPR in 2017-18 in one-time funding for DHS to provide training to emergency dispatchers in the 2017-19 biennium, and directed DHS to request funding for ongoing dispatcher training in its 2019-21 budget request.

11. WELL WOMAN PROGRAM

GPR	$200,000

Governor: Increase funding budgeted for the Wisconsin Well Woman Program by $100,000 annually, from $2,328,200 to $2,428,200 in each year. In addition, modify a current provision that requires DHS to expend at least $60,000 annually for the provision of multiple sclerosis (MS) services to women to instead require DHS to expend up to $60,000 annually for the provision of MS services to women.

The program is funded with a combination of GPR and federal funds the state receives from the Centers for Disease Control and Prevention In 2018-19, the program received $2,200,000 in federal funding, while GPR funding for the program was budgeted at $2,328,200.

The Well Woman Program provides uninsured and underinsured women, ages 45 through 64 with household income of up to 250% of the federal poverty level, with breast and cervical screening services. The statutory provisions relating to the program include several funding allocations for the program, including (a) breast cancer screening services; (b) media announcements; (c) breast cancer screening services using a mobile mammography van; (d) specialized training for rural colposcopy examinations; (e) reimbursement for service providers to conduct health care screening, referral, follow-up, case management, and patient education to low-income, underinsured, and uninsured women; (f) a women's health campaign; (g) osteoporosis prevention and education; (h) multiple sclerosis education; and (i) multiple sclerosis services.

The bill does not specify the program component for which the additional funding would be used.

[Bill Section: 1950]

12. INFANT MORTALITY PREVENTION

Governor: Require the Department to reallocate 5.0 current full-time equivalent positions to staff an infant mortality prevention program. Require DHS to report in its 2021-23 budget request any necessary budget adjustments to reflect this reallocation of positions.

[Bill Section: 9119(10)]

13. GRADUATE MEDICAL EDUCATION SUPPORT GRANTS

Governor: Modify statutory provisions relating to graduate medical education (GME) programs as follows.

First, repeal an appropriation for the Division of Public Health that currently funds grants to establish graduate medical training programs in rural hospitals, and transfer base funding from this appropriation ($2,500,000 GPR annually) to a current appropriation for the Division of Medicaid Services that support graduate medical training programs, for which base funding is $865,000 GPR annually. Consequently, a total of $3,313,000 GPR would be budgeted annually to support both types of grants, beginning in 2019-20.

Second, expand the eligibility criteria for both types of grants to include the development of, or support of accredited GME programs in all medical specialties. Under current law, in order to be eligible for a grant, a hospital must have an existing GME program, or plan to develop a GME program, in one of the following specialties: (a) family medicine; (b) pediatrics; (c) psychiatry; (d) general surgery; or (e) internal medicine.

Third, correct a statutory reference to the appropriation from which grants are funded by deleting a reference to the MA benefits appropriation.

Under current law, DHS operates two grant programs relating to GME. The first program provides grants to rural hospitals for assistance in procuring infrastructure and increasing case volume to the extent necessary to develop accredited GME programs. The second program provides funding to hospitals for the addition of positions to existing accredited GME programs. The bill would combine these two grant programs into a single continuing appropriation under Medicaid Services.

[Bill Sections: 190, 193, 195, and 1764 thru 1767]

14. FAMILY PLANNING AND WOMEN'S HEALTH BLOCK GRANT

GPR	$387,200

Governor: Provide $193,600 annually to increase funding for the women's health block grant program. In addition, modify provisions relating to the state's family planning and women's health block grant programs as follows.

Title X (Family Planning and Related Preventive Health Services) Grant Funding. Repeal all provisions created in 2015 Wisconsin Act 151. These provisions:

- Require DHS to apply for federal funding under Title X of the Public Health Service, beginning with the 2018 application and before each subsequent application thereafter.

- Require DHS to distribute these federal funds to public entities, including state, county and local health departments and health clinics, and the well-woman program.

- Specify the types of family planning services that may be funded by the Department's

grantees to include: (1) screening for cervical cancer and breast cancer; (2) screening for high blood pressure, anemia and diabetes; (3) screening for sexually transmitted diseases and HIV and AIDS; (4) infertility services; (5) health education; (6) pregnancy testing; (7) contraceptive services; (8) pelvic examinations; and (9) referrals for other health and social services.

- Permit a public entity that receives funds to provide some or all of the funds to other public or private entities, as long as the recipient of the funds does not provide abortion services or have an affiliate that provides abortion services. However, specify that providing abortion services or having an affiliate that provides abortion services under certain specified circumstances, such as to save the life of a woman, or in a case of sexual assault or incest, does not disqualify an entity from receiving these funds.

- Specify that a person's acceptance or refusal to receive family planning services does not affect the person's right to receive public assistance or services, that these provisions do not abridge the right of the individual to make decisions concerning family planning, and that a person is not required to state his or her reason for refusing any offer of family planning services.

- Specify that any employee of the agencies engaged in the administration of these provisions may refuse to accept the duty of offering family planning services to the extent that the duty is contrary to his or her personal beliefs, that such a refusal may not be grounds for dismissal, suspension, demotion, or any other discrimination in employment, and that the directors or supervisors of the agencies must reassign the duties of employees in order to carry out the provisions of the program.

- Require DHS to promulgate rules necessary to implement and administer the program.

Women's Health Block Grant. Modify the definition of "family planning" and "family planning services" under the women's health block grant program to include the provision of nondirective information explaining pregnancy termination. In addition, repeal a provision that prohibits a public grantee from providing some or all of the grant funds to another public or private entity if the other public or private entity: (a) provides abortion services; (b) makes referrals for abortion services; or (c) has an affiliate that provides abortion services or makes referrals for abortion services.

Under current law, DHS allocates GPR and a portion of the funding the state receives under the federal maternal and child health block grant (Title V of the Public Health Act) to support the state's women's health block grant program, which is intended to develop and maintain an integrated system of community health services and maximize coordination of family planning services. Current law excludes from the definition of “family planning” performance, promotion, encouragement, or counseling in favor of, or referral either directly or through an intermediary for, voluntary termination of pregnancy, but includes in the definition of “family planning” the provision of nondirective information explaining prenatal care and delivery or infant care, foster care, or adoption. DHS may distribute women's health funds only to public entities. Under current law, those public entities may provide some or all of the funds to other public entities or private entities as long as the recipients of the funds do not provide abortion services, make referrals for abortion services, or have an affiliate that provides abortion services or makes referrals for abortion

services.

[Bill Sections: 1935 thru 1940]

15. PRESCRIPTION DRUG IMPORTATION PROGRAM

Governor: Require DHS, in consultation with persons interested in the sale and pricing of prescription drugs and federal officials and agencies, to design and implement a prescription drug importation program.

Program Requirements. Specify that the program must satisfy all the following: (a) DHS must designate a state agency to become a licensed wholesale distributor or to contract with a licensed wholesale distributor and shall seek federal certification and approval to import prescription drugs; (b) the program must comply with all relevant requirements under federal law; (c) the program must import drugs from Canadian supplier's regulated under any appropriate Canadian or provincial laws; (d) the program must have a process to sample the purity, chemical composition, and potency of imported prescription drugs; (e) the program must import only prescription drugs for which importation creates substantial savings, are not brand-name, and have fewer than four competitor prescription drugs in the United States; and (f) DHS must ensure that prescription drugs imported under the program are not distributed, dispensed, or sold outside Wisconsin.

Specify that the program must ensure all of the following: (1) participation by any pharmacy or health care provider in the program is voluntary; (2) any pharmacy or health care provider participating in the program has the appropriate license or other credential in this state; and (3) any pharmacy or health care provider participating in the program charges a consumer or health plan the actual acquisition cost of the imported prescription drug that is dispensed.

Specify that the program must ensure that a payment by a health plan or health insurance policy for a prescription drug imported under the program reimburses no more than the actual acquisition cost of the imported prescription drug that is dispensed.

Requirements Relating to Health Plans and Health Insurance Policies. Specify that the program must ensure that any health plan or health insurance policy participating in the program does all of the following: (a) maintains a formulary and claims payment system with current information on prescription drugs imported under the program; (b) bases cost-sharing amounts for participants or insureds under the plan or policy on no more than the actual acquisition cost of the prescription drug imported under the program that is dispensed to the participant or insured; (c) demonstrates to DHS or a state agency designated by DHS how premiums under the policy or plan are affected by savings on prescription drugs imported under the program.

Additional Restrictions Relating to Importation. Specify that the program must ensure that: (1) any wholesale distributor importing prescription drugs under the program must limit its profit margin to the amount established by DHS or a state agency designated by DHS; (2) the program may not import any generic prescription drug that would violate federal patent laws on branded products in the United States; (3) the program complies, to the extent practical and feasible with

tracking and tracing requirements specified in federal regulations.

Program Finance. Specify that the program must establish a fee or other approach to finance the program that does not jeopardize significant savings to residents of the state;

Audit Function. Provide that the program must have an audit function that ensures all of the following: (a) DHS has a sound methodology to determine the most cost-effective prescription drugs to include in the importation program; (b) DHS has a process in place to select Canadian suppliers that are high quality, high performing, and in full compliance with Canadian laws; (c) prescription drugs imported under the program are pure, unadulterated, potent, and safe; (d) the program is complying with the requirements in the bill; (e) the program is adequately financed to support administrative functions of the program while generating cost savings to residents of the state; (f) the program does not put residents of the state at a higher risk than if the program did not exist; and (g) the program is projected to continue to provide substantial cost savings to residents of the state.

Anti-Competitive Behavior. Require DHS, in consultation with the Attorney General, to identify the potential for, and monitor anticompetitive behavior in industries affected by the program.

Program Approval. Require DHS to submit a report on the design of the program to the Joint Committee on Finance for approval no later than the first day of the seventh month beginning after the effective date of the bill. Within fourteen days of approval by the Committee, require DHS to submit the plan to the U.S. Department of Health and Human Services (DHHS) for certification. Provide that DHS may not submit the program to DHHS for certification unless it is first approved by the Committee.

Program Implementation. Upon certification of the program by DHHS, require DHS to begin implementing the program so that the program is fully operational within 180 days of certification.

Require DHS to do all of the following to implement the program: (a) become a licensed wholesale distributor, designate another state agency to become a licensed wholesale distributor, or contract with a licensed wholesale distributor; (b) contract with one or more Canadian suppliers; (c) create an outreach and marketing plan to communicate with and provide information to health plans and health insurance policies, employers, pharmacies, health care providers, and residents of the state on participating in the program; (d) develop and implement a registration process for health plans and health insurance policies, pharmacies, and health care providers interested in participating in the program; (e) create a publicly accessible source for listing prices of prescription drugs imported under the program; (f) create, publicize, and implement a method of communication to promptly answer questions from, and address the needs of, persons affected by the implementation of the program before the program is fully operational; (g) establish the audit functions described above with a timeline to complete each audit function every two years; (h) conduct any other activities determined by DHS to be important to successful implementation of the program.

Report. By January 1 and July 1 of each year, require DHS to submit to the Joint Committee

on Finance a report including all of the following: (a) a list of prescription drugs included in the program; (b) the number of pharmacies, health care providers, and health plans and health insurance policies participating in the program; (c) the estimated amount of savings to residents of the state, health plans and health insurance policies, and employers resulting from the implementation of the program reported from the date of the previous report and from the date the program was fully operational; and (d) findings of any audit functions completed since the date of the previous report. Require DHS to submit the first report by the next January 1 or July 1, whichever is earliest, that is at least 180 days after the date of the prescription drug importation program is operational. Require DHS to include in the first three reports it submits information on the implementation of the audit functions specified in the bill.

[Bill Sections: 1891 and 9119(7)]

16. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

Governor: Modify statutory provisions relating to the special supplemental nutrition program for women, infants, and children (WIC), in order to make state statutory language consistent with federal language, and to remove language rendered obsolete by the implementation of electronic benefit transfer for WIC in 2015. Specifically, modify statutory provisions in the following manner:

(a) Allow DHS to identify an alternate participant, who is someone authorized by a WIC program participant to request benefits and otherwise participate in the WIC program, as the WIC program cardholder for purposes of electronic administration.

(b) Add to the criteria to be an authorized vendor or authorized distribution center that the vendor or distribution center has an electronic benefit transfer-capable cash register system or payment device that meets the criteria specified in the bill.

(c) Specify that, except for certain mobile stores specially authorized in accordance with federal law, each store is a separate vendor, must have a single, fixed location, and must be separately authorized under the WIC program.

(d) Add to the activities prohibited under the WIC program engaging in trafficking. Trafficking in WIC benefits is defined in the bill as engaging in any of the following: buying, selling, stealing, or otherwise exchanging, including exchanging firearms, ammunition, explosives, or controlled substances, a payment method of obtaining WIC-approved foods for cash or consideration other than WIC approved foods; intentionally purchasing and reselling for cash or consideration a product that is obtained using a method of obtaining WIC-approved foods; or intentionally purchasing with cash or consideration a product that was originally purchased with a method of obtaining WIC-approved foods. A person who performs any of the prohibited practices under the bill or under current law is subject to a felony with a penalty of a fine not to exceed $10,000 or imprisonment not to exceed three years and six months, or both for the first offense and for a second or subsequent offense a felony with a penalty of a fine not to exceed $10,000 or imprisonment not to exceed six years, or both.

(e) Incorporate infant formula suppliers into the types of entities for which DHS must promulgate rules regarding standards for authorization.

(f) Add civil monetary penalties, warning letters, and implementations of corrective action plans to the list of consequences for violating a rule promulgated by DHS relating to the WIC program.

(g) Specify that information about an applicant for, participant in, or vendor in the WIC program is confidential and then specifies who may access that confidential information and for what purposes.

The WIC program provides supplemental foods, nutrition education, and other services to low-income women, infants, and children that meet eligibility criteria under federal law. DHS administers portions of the WIC program including authorization of vendors and distribution centers to accept the method of payment that participants in the WIC program use to obtain foods approved under the program.

[Bill Sections: 1896 thru 1934]

Care and Treatment Services

1. WINNEBAGO MENTAL HEALTH INSTITUTE OPERATIONS

	Funding	Positions
PR	$12,334,000	51.00

Governor: Provide $6,242,000 in 2019-20 and $6,092,000 in 2020-21 and 51.0 positions, beginning in 2019-20, to create a separate admissions unit and to increase evening and nighttime supervisory staff at the Winnebago Mental Health Institute (WMHI), which is located in Oshkosh. WMHI is the state's primary facility for the treatment of individuals subject to an emergency detention related to a mental health crisis, and for the ongoing treatment of persons who are subject to court-ordered involuntary civil commitment. WMHI, which has units for both youth and adults, also serves female forensic patients.

Admissions Medical Education Unit. Provide $5,011,300 in 2019-20 and $4,891,300 in 2020-21 and 39.0 positions, beginning in 2019-20, to establish a separate, 24-bed unit used for initial intake, triage, and treatment of patients upon first arrival at the facility. After an initial assessment and treatment period, the patient would be transferred to the treatment unit that is most appropriate for his or her needs. The admissions unit would be established in existing space in Sherman Hall, which is currently unused. Currently, new patients are typically placed immediately in any available open bed in one of WMHI's eight units, which may or may not be in a unit matching the patient's treatment needs.

The additional positions would consist of 24.0 psychiatric care technicians, 12.0 nurse

clinicians, 2.0 nursing supervisors, and 1.0 office associate. In addition, bill would provide funding for 9.0 limited-term employee psychiatric care technicians and 10.0 contracted medical staff (2.0 psychiatrists, 4.0 medical assistants, and 4.0 physician assistants). The administration proposes to operate the admissions unit as a training facility for psychiatric residents from the Medical College of Wisconsin.

The following table summarizes the position and funding in the bill for each of these components.

Positions and Funding for Admissions Medical Education Unit

		Proposed Funding	
	Positions	2019-20	2020-21
Permanent FTE Positions			
Psychiatric Are Technicians	24.0	$1,314,500	$1,314,500
Nurse Clinicians	12.0	1,167,900	1,167,900
Nursing Supervisors	2.0	260,200	260,200
Office Associate	1.0	42,900	42,900
Subtotal	39.0	$2,785,500	$2,785,500
LTE Positions			
Psychiatric Care Technicians	9.0	$189,000	$189,000
Contract Staff			
Psychiatrists	2.0	$595,200	$595,200
Physician Assistants	4.0	559,200	559,200
Medical Assistants	4.0	178,800	178,800
Subtotal	10.0	$1,333,200	$1,333,200
Supplies and Services		$703,600	$583,600
Totals	58.0	$5,011,300	$4,891,300

Evening and Nighttime Supervisory Staff. Provide $1,230,700 in 2019-209 and $1,200,700 in 2020-21 and 12.0 positions, beginning in 2019-20, for psychiatric care supervisors for evening and nighttime shifts. Of the funding provided by the bill, $1,069,900 annually would be budgeted for salary and fringe benefits, while $160,800 in 2019-20 and $130,800 in 2020-21 would be budgeted for supplies and services.

Currently, the work of psychiatric care technicians for these shifts is supervised by nursing supervisors. With the addition of psychiatric care supervisor positions, nursing supervisors would concentrate on medical care and the supervision of nurse clinicians. Currently, WMHI is authorized 234.6 psychiatric care technicians positions and 72.1 nurse clinician positions, which are supervised by 15.0 nursing supervisors.

2. FORENSIC UNIT EXPANSION AT SAND RIDGE SECURE TREATMENT CENTER

	Funding	Positions
GPR	$3,430,900	36.50

Governor: Provide $3,430,900 in 2020-21 and 36.5 project positions, beginning in 2020-21, to operate a 20-bed unit for forensic patients at the Sand Ridge Secure Treatment Center (SRSTC). Of the funding provided, $2,445,000 would be budgeted for salary and fringe benefits, $489,100 would be for supplies and services associated with the positions, and $496,800 would be for food and variable non-food costs, such as medication and medical services, laundry, clothing, and linens.

Forensic patients are persons who have been committed to the Department for treatment or evaluation as part of a criminal proceeding, either to be evaluated for competency to stand trial, to receive treatment to restore competency, or after being found not guilty by reason of mental disease. Male forensic patients who require secure treatment are admitted to the Mendota Mental Health Institute, which has a staffed capacity of 273 beds. The 2017-19 biennial budget (2017 Act 59) provided funding and positions for a 34-bed expansion in forensic capacity. Of this number, 20 beds are housed at SRSTC in Mauston. These beds will be moved to Mendota in 2020-21 following completion of a renovation project at Lorenz Hall, which involves the conversion of vacant units that had previously been used for civil patients, to forensic units. The positions and funding provided by Act 59, now used to operate the SRSTC forensic unit, will be used for the Lorenz Hall units. This item would provide additional staffing and funding to continue operating a forensic unit at SRSTC (an expansion of total forensic bed capacity) to help address a waiting list for forensic admissions. In January, 2019, 74 forensic patients were on this waiting list.

3. MENDOTA JUVENILE TREATMENT CENTER EXPANSION -- 2017 ACT 185

	Funding	Positions
PR	$3,159,500	50.50

Governor: Provide $3,159,500 and 50.5 positions, beginning in 2020-21, to expand the staffed capacity of the Mendota Juvenile Treatment Center (MJTC) by 14 beds, from 29 beds currently to 43 beds. The funding increase includes $2,465,500 for salary and fringe benefits, $539,100 for supplies and services associated with the staff positions, and $154,900 for food and variable non-food costs (such as medication and medical services, laundry, and linens) associated with the additional youths that would receive services. MJTC is funded from GPR and program revenues transferred from the Department of Corrections.

The following table lists the proposed staff positions, by general functional category.

Position Type	Positions
Psychiatric Care Technicians	31.0
Nursing	6.0
Programming	5.0
Mental Health and Medical Services	4.5
Supervision and Administration	4.0
Total	50.5

MJTC, which is on the campus of the Mendota Mental Health Institute (MMHI) in Madison, is a juvenile correctional facility that provides psychiatric evaluation and treatment for male juveniles transferred from the juvenile correctional system whose behavior is highly disruptive and who have not responded to standard services and treatment at the Department of Corrections' (DOC) secure correctional facility at Lincoln Hills. MJTC treatment and programming includes therapy for anger management, treatment to address substance abuse, sexual offense, or mental illness, and academic support. Treatment is designed to improve behavior and manage any mental health conditions to permit a transfer back to Lincoln Hills.

Statutory Changes. Modify provisions enacted as part of 2017 Act 185 that authorize courts to place a juvenile at MJTC upon recommendation of DHS, to instead authorize a court to transfer a juvenile to MJTC with the approval of DHS. Specify that only the Director of MJTC or his or her designee is authorized to make decisions regarding the admission of juveniles to, and treatment of, juveniles at MJTC and the release and return of juveniles to the appropriate state or county facility. Prohibit a court from ordering DHS to accept a juvenile placement at MJTC that the Department has not approved. Modify a provision that authorizes the Department of Corrections to object to the transfer of a juvenile from a secured residential care center for children and youth to a Type 1 juvenile correctional facility, to specify that this authority does not apply to transfers to MJTC. Specify that these provisions first apply to a juvenile adjudicated delinquent by a court and placed at a county secured residential care center for children and youth on the general effective date of the bill.

Modify the program revenue appropriation for the institutional operations of the mental health institutes to incorporate the operations of MJTC in the expenditure authority and the collection of payments from counties for the care of juveniles at MJTC in the appropriation's revenue sources. Require counties to reimburse DHS at a rate specified by the Department for the cost of care of juveniles placed at MJTC. Specify that any juvenile under supervision of a county in a secured treatment center who is transferred to MJTC remains under the supervision of that county.

Repeal a provision created in Act 185 that requires approval of the Joint Committee on Finance to the Department's MJTC expansion. With this change, the Legislature's action on this item would serve as the approval of the proposed MJTC expansion, although the Building Commission would have final approval of the issuance of bonds for construction.

Background. This item is the administration's response to a requirement included in Act 185 that made numerous changes to the state's juvenile correctional system. With respect to MJTC, Act 185 requires DHS to expand the facility by no fewer than 29 beds, subject to the approval of the Joint Committee on Finance. Act 185 provided $15.0 million in general fund supported bonding for the construction of the expansion. Act 185 did not establish a timeline for the expansion.

Act 185 also requires the Department to include a proposal in its 2019-21 budget request for funding and positions to operate the expanded facility. The Department included a proposal to expand MJTC by 64 beds, to 93 total beds, on a phased schedule beginning in September, 2019, and ending in June 2021. The funding provided in the bill is based on the assumption that this implementation schedule would be delayed by one year. The administration indicates that it would

intend to proceed with a further expansion to 93 beds after the 2019-21 biennium. With full expansion, MJTC would serve both male and female juveniles.

Under the Department's proposal, the initial 14-bed expansion would use space in the same building as the MJTC, which is currently used for adult forensic patients admitted to MMHI. These patients will eventually be moved to other units at MMHI that are now undergoing renovation, which will permit DHS to expand MJTC into the 14-bed unit. Any additional expansion would require the construction a new facility.

[Bill Sections: 192, 437 thru 439, 2165 thru 2167, 2259, 9319(1), and 9419(1)]

4. OVERTIME

GPR	$7,756,800
PR	9,670,000
Total	$17,426,800

Governor: Provide $8,713,400 ($3,878,400 GPR and $4,835,000 PR) annually to fully fund anticipated overtime costs at the Department's care and treatment residential facilities. The funding under this item is generally based on the difference between actual overtime costs that the facilities incurred in 2017-18 and the amount that would be provided under the overtime standard budget adjustment. The calculation for the PR-funded overtime at the Winnebago Mental Health Institute has been adjusted to account for a separate item that would provide additional positions at that facility, which, if approved, would be expected to reduce overtime costs.

The following table shows, by facility and fund source, the annual overtime increase provided under the standard budget adjustment, the funding increase provided under this item, and the total funding that would be provided annually to support overtime costs under the bill.

Annual Overtime Funding for DHS Care and Treatment Facilities, by Source
Governor's Bill

	Standard Budget Adjustments			Overtime Funding Under This Item			Total Annual Overtime Budget		
Facility	GPR	PR	Total	GPR	PR	Total	GPR	PR	Total
Mendota MHI	$1,620,700	$252,300	$1,873,000	$1,908,600	$297,200	$2,205,800	$3,529,300	$549,500	$4,078,800
Winnebago MHI	503,300	839,300	1,342,600	1,046,400	818,700	1,865,100	1,549,700	1,658,000	3,207,700
WI Resource Center	1,038,800	0	1,038,800	131,500	0	131,500	1,170,300	0	1,170,300
Sand Ridge STC	323,300	0	323,300	791,900	0	791,900	1,115,200	0	1,115,200
Central WI Center	0	1,223,000	1,223,000	0	1,401,200	1,401,200	0	2,624,200	2,624,200
Southern WI Center	0	0	0	0	2,160,100	2,160,100	0	2,160,100	2,160,100
Northern WI Center	0	245,100	245,100	0	157,800	157,800	0	402,900	402,900
Total	**$3,486,100**	**$2,559,700**	**$6,045,800**	**$3,878,400**	**$4,835,000**	**$8,713,400**	**$7,364,500**	**$7,394,700**	**$14,759,200**

5. FOOD AND NONFOOD SUPPLIES AND SERVICES AT CARE AND TREATMENT FACILITIES

GPR	- $1,588,100
PR	9,361,200
Total	$7,773,100

Governor: Provide funding adjustments for food and variable nonfood costs at the Department's care and treatment facilities as follows.

Food. Provide $383,500 ($271,800 GPR and $111,700 PR) in 2019-20 and $483,700 ($337,400 GPR and $146,300 PR) in 2020-21 to fund projected increases in food costs at the Department's care and treatment facilities. These estimates are based on the assumption that average food costs will increase by 2.5% annually. The Department's base budget for food at its facilities is $4,047,900 ($2,637,000 GPR and $1,410,900 PR).

Variable Nonfood Supplies and Services. Provide $2,316,800 (-$1,784,600 GPR and $4,101,400 PR) in 2019-20 and $4,589,100 (-$412,700 GPR and $5,001,800 PR) in 2020-21 to fund projected increases in nonfood supplies and services costs that vary with resident populations. These costs include medical services, medical supplies, prescription drugs, and clothing. The estimates are based on facility-specific inflationary cost projections, which reflect differences in medical supplies, services, and medications used by residents and patients at these facilities. The Department's base budget for variable nonfood supplies and services is $34,421,800 ($24,118,500 GPR and $10,303,300 PR).

The following table summarizes the administration's estimates of the average number of residents at each facility in the 2019-21 biennium, which, in addition to the inflation assumptions, are the basis of these cost projections. The table excludes estimates of the additional juveniles that would receive residential treatment services at the Mendota Juvenile Treatment Center (14 in 2020-21), for which funding for food and variable nonfood supplies and services would be provided under a separate item.

Average Monthly Resident Projections -- DHS Care and Treatment Facilities

Facility	Actual 2017-18	Estimates 2018-19	2019-20	2020-21
Mendota Mental Health Institute	309	317	347	347
Winnebago Mental Health Institute	171	210	185	185
Wisconsin Resource Center	376	385	385	385
Sand Ridge Secure Treatment Center	329	372	329	329
Central Wisconsin Center	221	225	204	204
Southern Wisconsin Center	133	141	133	133
Northern Wisconsin Center	17	13	14	14
Total	1,556	1,663	1,597	1,597

6. WISCONSIN RESOURCE CENTER EXPANSION

	Funding	Positions
GPR	$6,495,900	34.80

Governor: Provide $3,246,100 in 2019-20 and $3,249,800 in 2020-21 and 34.8 positions, beginning in 2019-20, to expand capacity at the Wisconsin Resource Center by 58 beds. The Wisconsin Resource Center (WRC) is a correctional facility that provides mental health and substance abuse treatment to inmates under supervision of the Department of Corrections. WRC has a staffed capacity to serve 336 male inmates. A separate facility, the Women's Wisconsin Resource Center (WWRC), has a staffed capacity for 49 inmates. Both facilities are located on the grounds of the Winnebago Mental Health

Institute near Oshkosh. DHS provides treatment services and supervisory functions in WRC and WWRC, while DOC provides perimeter security. DOC transfers inmates to these facilities when, in consultation with DHS, it is determined that their treatment needs can be better met through the more intensive treatment programming offered by DHS.

Beginning in June 2018, DHS began admitting additional inmates to WRC using vacant space, primarily as a means to meet an increased need for substance abuse treatment services to minimum- and medium-security inmates. The Department used training position authority to staff the additional space, funded through charges to DOC. This budget item would fully staff and fund a 58-bed expansion on a permanent basis.

The funding provided by the bill consists of the following components: (a) $2,030,300 annually for salary and fringe benefits; (b) $379,300 for supplies and services related to the positions; (c) $786,000 in 2019-20 and $789,700 in 2020-21 for food and variable nonfood supplies (such as medical services and clothing); and (d) $50,500 annually for DOC overtime costs. The 34.8 positions include 23.0 psychiatric care technicians, 8.8 medical and treatment positions, and 3.0 supervisory staff.

7. FUEL AND UTILITIES

GPR	$3,218,500

Governor: Provide $1,546,600 in 2019-20 and $1,671,900 in 2020-21 to reflect an estimate of GPR-funded fuel and utilities costs at the Division of Care and Treatment Services residential facilities. With these adjustments, total GPR-funded fuel and utility funding would be $6,130,500 in 2019-20 and $6,255,800 in 2020-21. The bill would not modify funding for fuel and utility costs supported by the Division's program revenue general program operations budget.

8. DEBT SERVICE

GPR	$2,600,100

Governor: Increase funding by $1,759,200 in 2019-20 and by $840,900 in 2020-21 to reflect estimates of debt service payments on bonds issued for capital projects at DHS care and treatment facilities. Base debt service funding is $18,008,400.

9. MENTAL HEALTH INSTITUTE FUNDING SPLIT

	Funding	Positions
GPR	$4,353,000	24.22
PR	- 4,353,000	- 24.22
Total	$0	0.00

Governor: Provide $2,176,500 GPR annually and a corresponding decrease in PR funding, and convert 24.22 current PR positions to 24.22 GPR positions, beginning in 2019-20, to reflect the administration's estimates of the percentage of patients whose care will be funded with GPR and PR at the mental health institutes (MHIs) in the 2019-21 biennium.

The share of each MHI's costs funded by GPR and PR is based on the composition of patient population. The state is responsible for the cost of caring for forensic patients, which it has generally funded with GPR. The cost of caring for civilly-committed patients is funded from program revenues paid by counties and third-party payers. The budget bill typically adjusts the

position and funding splits to match anticipated changes in the relative share of forensic and civil patients. For the 2019-21 biennium, this funding adjustment is affected by a decision, made in the 2017-19 budget, to fund one-half of the cost of new forensic units at Mendota with PR instead of GPR in 2018-19. Applying the institute funding split methodology for the 2019-21 biennium has the effect of shifting PR-funded forensic costs in the appropriation base to GPR funding and positions.

10. YOUTH CRISIS STABILIZATION FACILITY

PR	$1,992,800

Governor: Provide $996,400 annually for youth crisis stabilization facility grants in the Department's "center" appropriation.

2017 Act 59 established a regulatory structure for a youth crisis stabilization facility, with the intent of creating a service for youth experiencing a behavioral health crisis that would be a community-based alternative to inpatient hospitalization at the Winnebago Mental Health Institute or a private hospital. As passed by the Legislature, the budget bill would have provided funding on a one-time basis from program revenues received by the mental health institutes (MHIs) for supporting the operation of one or more youth crisis stabilization facilities in the 2017-19 biennium. This funding would have been placed in the Joint Committee on Finance's program supplements appropriation, pending approval by the Committee. The Governor vetoed the funding in the program supplements, but indicated in the veto message that DHS would make a grant from amounts budgeted for the mental health institutes. As of March 1, 2019, the Department had not finalized standards for such facilities and had not made a grant. Act 59 required DHS to include in its 2019-21 budget request a proposal to fund the grants on an ongoing basis from a GPR appropriation. DHS included such a proposal in its budget request. This item would, instead, provide a continuation of funding for grants using program revenue, at the annualized level anticipated in Act 59.

The Department's "center" appropriation was created as the result of a partial veto of provisions contained in the 2017-19 budget bill, including the youth crisis stabilization grant program. The appropriation receives transfers from the PR appropriation for the MHIs and can be used "to make payments to an organization that establishes a center that provides services." Although the bill reflects the funding in the appropriation for the youth crisis stabilization grants, the bill would not provide additional expenditure authority in the PR appropriation for the MHIs to make the funding transfer. Consequently, any funding for making a grant to a youth crisis stabilization facility would have to be transferred to the appropriation from amounts budgeted for the institutional operations of the MHIs.

11. PEER-RUN RESPITE CENTER FOR VETERANS

PR	$900,000

Governor: Provide $450,000 annually in the Department's "center" appropriation to fund a grant to a peer-run respite center for veterans. [The titling of this PR appropriation was the result of a partial veto of 2017 Act 59.]

Act 59 provided $450,000 in one-time funding, supported by program revenue DHS receives

from operating the mental health institutes (MHIs), to fund a grant to a peer-run respite center for veterans in the current biennium. The act required DHS to include in its 2019-21 budget request a proposal to establish ongoing funding using GPR for the grant. The Department included that proposal in its 2019-21 budget request.

This item would continue funding the grant on an ongoing basis, using a program revenue transfer from amounts budgeted for the state's MHIs. However, the bill would not increase budget authority in the MHIs appropriation for making a transfer to the center appropriation.

As of March 1, 2019, DHS was in the process of selecting a recipient of the grant.

12. CONTRACTED MENTAL HEALTH SERVICES

GPR	$4,561,300

Governor: Provide $1,347,300 in 2019-20 and $3,214,000 in 2020-21 to fund projected increases in the costs of the Division of Care and Treatment Services (DCTS) contracts for community-based mental health services. These contracts are generally related to the Division's forensic and sexually violent persons treatment programs. The following table shows the base funding for each type of contract, the proposed increase, and the resulting total funding. Below the table is an explanation of each category, as well as an explanation of the primary factors used to generate the new cost estimates.

		Budget Increase		Total Funding	
	2018-19 Base	2019-20	2020-21	2019-20	2020-21
Supervised Release	$5,452,800	$167,800	$931,600	$5,620,600	$6,384,400
Conditional Release	5,299,800	35,300	322,100	5,335,100	5,621,900
Outpatient Competency Exams	2,346,800	228,300	418,500	2,575,100	2,765,300
Treatment to Competency	1,534,500	1,021,800	1,546,800	2,556,300	3,081,300
DOC Contracts	1,580,000	-105,900	-5,000	1,474,100	1,575,000
Total	$16,213,900	$1,347,300	$3,214,000	$17,561,200	$19,427,900

Supervised Release Services. The supervised release program provides community-based treatment to individuals who are found to be sexually violent persons (SVPs) under Chapter 980 of the statutes. SVPs are committed to DHS and provided institutional care at the Sand Ridge Secure Treatment Center in Mauston, but may petition the court for supervised release if at least 12 months have elapsed since the initial commitment order was entered, since the most recent release petition was denied, or since the most recent order for supervised release was revoked. The proposed increase for supervised release services is due primarily to an anticipated increases in the number of individuals in the supervised release program, as well as inflationary increases in the costs per client.

Conditional Release Services. The conditional release program provides treatment to individuals who have been found not guilty by reason of mental disease or defect and are either immediately placed on conditional release following the court's finding or following release from one of the state's mental health institutes. The administration anticipates that costs and caseload

for this program will increase, consistent with recent trends.

Outpatient Competency Examination. Chapter 971 of the statutes prohibits courts from trying, convicting, or sentencing an individual if the individual lacks substantial mental capacity to understand the proceedings or assist in his or her own defense. Courts may order DHS to conduct competency examinations, which may be performed either on an inpatient basis by DHS staff at the state mental institutes, or on an outpatient basis in jails and locked units of other facilities by contracted staff. This item also includes the cost of court liaison services, used to provide consultation to courts regarding mental health issues for individuals in the judicial system. Costs and caseload for these contractual services are anticipated to increase, consistent with recent trends.

Treatment to Competency Services. DHS contracts with a vendor to provide outpatient treatment services to individuals who are determined to be incompetent to proceed to a criminal trial if a court determines that the individual is likely to be competent within 12 months, or within the time of the maximum sentence specified for the most serious offense with which the defendant is charged. Traditionally, these services have generally been provided on an outpatient basis for individuals who, based on an assessment of their risk level, are able to live in the community. More recently, DHS has begun contracting for treatment to competency services provided in county jails, as an alternative to admitting those individuals to one of the mental health institutes for treatment. The estimated increases in the 2019-21 biennium for treatment to competency are driven primary by an anticipated increase in the number of individuals provided treatment to competency services in county jails.

Department of Corrections Contracts. DHS contracts with the Department of Corrections for the supervision of clients in the conditional release and supervised release programs. The contract includes supervision, transportation escort, and global positioning system (GPS) monitoring.

13. OPENING AVENUES TO REENTRY SUCCESS

	Funding	Positions
GPR	$174,500	1.00

Governor: Provide $74,800 in 2019-20 and $99,700 to support 1.0 position, beginning in 2019-20, to administer the opening avenues to reentry success program (OARS), as part of a statewide expansion of the program. OARS is administered jointly by DHS and the Department of Corrections (DOC) to provide support services to persons who are released from prison with identified mental health needs and who are assessed to have a moderate to high risk or reoffending.

The program is currently funded from a DOC appropriation and serves clients in 44 counties. In 2017-18, DOC spent $2.9 million on program services. The bill would provide an additional $3,926,500 GPR in 2019-20 and $3,901,600 GPR in 2020-21 in the DOC budget for the program, with the intent of offering services in all Wisconsin counties. This funding increase is summarized under Corrections.

This item would provide a position in DHS to perform the administrative functions of the program, including oversight of the contracts with the providers who render services to clients.

14. MENDOTA JUVENILE TREATMENT CENTER -- FUNDING TRANSFER FROM DOC

Governor: Modify a statutory provision that identifies the amount of funding that the Department of Corrections (DOC) is required to transfer to DHS to support the costs of the Mendota Juvenile Treatment Center, to require transfers of $3,224,100 in 2019-20 and $5,878,100 in 2020-21 from the DOC PR appropriation for juvenile correctional services. In 2018-19, DOC is required to transfer $2,932,600 from this PR appropriation.

DOC is also required to transfer $1,365,500 GPR annually to support the cost of the MJTC, an amount that would not be changed by the bill. Consequently, the total amount transferred from both fund sources would increase from $4,298,100 in 2018-19 to $4,589,600 in 2019-20, and to $7,243,600 in 2020-21. The bill would increase the total transfer in 2020-21 from the prior year by 58%, which is associated with an anticipated increase in juveniles under DOC supervision who are placed at MJTC, in conjunction with the proposed expansion of the facility, which is summarized under another item.

[Bill Section: 440]

FoodShare

1. FOODSHARE EMPLOYMENT AND TRAINING (FSET) PROGRAM COST-TO-CONTINUE

GPR	$5,196,000
FED	5,196,000
Total	$10,392,000

Governor: Provide $4,668,000 ($2,334,000 GPR and $2,334,000 FED) in 2019-20 and $5,724,000 ($2,862,000 GPR and $2,862,000 FED) in 2020-21 to increase funding for the FoodShare employment and training (FSET) program. The funding increase reflects: (a) anticipated increases in caseload, (b) increases to vendors to reflect actual and projected average service costs; and (c) reestimates of the amount of federal funding that will be available to support program costs. Base funding for the program is $41,071,400 ($17,625,000 GPR and $23,446,400 FED).

Enrollment. The administration assumes that enrollment in FSET will remain steady in each year of the 2019-21 biennium, with an average monthly enrollment of approximately 9,800 individuals. In 2017-18, the actual average monthly enrollment was 9,822.

Average Monthly Enrollee Cost. In federal fiscal year 2016-17, the average monthly cost of providing services to FSET enrollees was $333. The administration applied inflationary increases to this base amount (2.5% for 2018-19, 2.3% in 2019-20, and 2.1% in 2020-21) and proposes to budget the program based on average monthly costs of $349 per enrollee in 2019-20 and $356 per enrollee in 2020-21.

Reestimate Federal Funding. Most FSET program costs are funded on a 50% GPR/50%

FED matching basis. However, during the past several years, Wisconsin has received federal funding allocations that have not required a state match, which DHS refers to as 100% SNAP Education and Training (E&T) funding. However, the amount of the 100% SNAP E&T funding the state receives varies from year to year, and is dependent on other states' eligibility for this funding. In the past several years Wisconsin's allocation of this funding has decreased. The administration assumes that this decrease in 100% SNAP E&T funding will continue.

2. REPEAL FSET DRUG SCREENING REQUIREMENTS

Governor: Repeal the requirement that eligibility for an able-bodied adult without dependents (ABAWD) to participate in the FoodShare employment and training (FSET) program is subject to compliance with the statutory screening, testing, and treatment policy for illegal use of a controlled substance without a valid prescription for the controlled substance.

Repeal provisions, enacted as part of 2017 Act 370, that require DHS to implement a drug screening, testing, and treatment policy for ABAWDs participating in FSET. In addition, repeal nonstatutory provisions contained in 2017 Act 370 as they pertain to implementing the drug screening, testing, and treatment provisions by October 1, 2019, and requiring compliance with the waiver provisions contained in 2017 Act 370, as though the drug screening, testing, and treatment provisions were a waiver request approved on December 16, 2018.

With the proposed elimination of the screening, testing, and treatment policy for illegal use of a controlled substance for ABAWDs participating in FSET, no funding would be necessary for implementation. The Department's 2019-21 budget request, anticipating implementation of the controlled substance screening, testing, and treatment policy, included $177,600 ($88,800 GPR and $88,800 FED) in 2019-20 and $258,800 ($129,400 GPR and $129,400 FED) in 2020-21 to fund this provision, as well as 2.0 positions (1.0 senior research analyst and 1.0 senior training officer), starting in 2019-20.

[Bill Sections: 196, 719, 721, and 2265]

3. REPEAL FOODSHARE WORK REQUIREMENT FOR ABLE-BODIED ADULTS WITH DEPENDENTS

Governor: Modify current law relating to required participation in the FoodShare employment and training (FSET) program to specify that DHS must require, to the extent allowed by the federal government, that able-bodied adults *without dependents* (ABAWDs) participate in FSET, except for ABAWDs who are employed, as determined by DHS. Specify that DHS may require able individuals who are 18 to 60 years of age, or a subset of those individuals to the extent allowed by the federal government, who are not in a Wisconsin Works employment position, to participate in FSET.

Current law, which reflects changes enacted in 2017 Act 264, requires that by October 1, 2019, not only all ABAWDs must participate in FSET, but also all other able-bodied adults between the ages of 18 and 50, who are not pregnant and not determined by DHS to be medically

certified as physically or mentally unfit for employment or exempt from the work requirement as specified in federal law. Current law prohibits DHS from requiring participation in FSET for an individual who is: (a) enrolled at least half time in a school, a training program, or an institution of higher education; or (b) the caretaker of a child under the age of six or the caretaker of a dependent who is disabled.

By repealing the expansion of individuals who are required to participate in FSET, no funding would be necessary to implement the expansion. The Department's 2019-21 budget request, anticipating implementation of the expansion, included $18,333,000 ($9,123,800 GPR and $9,209,200 FED) in 2019-20 and $56,103,900 ($27,978,900 GPR and $28,125,000 FED) in 2020-21 to fund this provision.

Additionally, the Department's 2019-21 budget request included an additional 9.0 positions, starting in 2019-20 relating to these and other FoodShare and MA-related program changes enacted in the 2017 legislative session. These positions included 4.0 positions to implement the FSET expansion to require mandatory participation in FSET for all able-bodied adults and work requirements for certain MA recipients without dependents (a requirement that would be eliminated in the Governor's budget bill), as well as 5.0 positions for Milwaukee Enrollment System (MiLES) income maintenance workers, who would be required to implement the following provisions, which would also be repealed in the Governor's budget bill: (a) work requirements for certain MA recipients without dependents, (b) child support compliance as a condition of MA eligibility, (c) FSET expansion to require mandatory participation in FSET for all able-bodied adults, (d) health savings accounts for certain MA recipients, (e) health risk assessments and drug screening for MA recipients without dependents, and (f) drug screening for individuals referred to FSET.

[Bill Section: 718]

4. REPEAL PAY-FOR-PERFORMANCE PAYMENT SYSTEM FOR FSET VENDORS

Governor: Repeal provisions enacted in 2017 Act 266 that require DHS to create and implement a payment system based on performance for FoodShare Employment and Training (FSET) program vendors. Current law requires DHS to establish performance outcomes for the payment system based on: (a) the placement of participants into unsubsidized employment; (b) whether the placement is full or part-time; (c) the job retention rate; (d) wages and benefits earned; (e) appropriate implementation of FSET; and (f) customer satisfaction. Implementation of the payment system is contingent on federal approval and must not affect the funding available for supportive services for participants in FSET. These provisions first apply to contracts DHS enters into or renews on the Act's effective date (April 12, 2018). However the Department's current contracts with the FSET vendors, effective for federal fiscal year 2018-19 (October 1, 2018 through September 30, 2019), do not include performance outcomes as the basis for payments.

With the proposed elimination of the pay-for-performance payment system for FSET vendors, no funding would be necessary for implementation. The Department's 2019-21 budget request, anticipating implementation of the pay-for-performance payment system, included

$82,800 ($41,400 GPR and $41,400 FED) in 2019-20 and $1,705,800 ($1,252,200 GPR and $453,600 FED) in 2020-21 to fund this provision, and 0.5 FTE contracts specialist position, beginning in 2019-20, to implement the pay-for-performance payment system.

[Bill Section: 720]

5. REPEAL FOODSHARE CHILD SUPPORT AND PATERNITY COMPLIANCE REQUIREMENTS

Governor: Repeal provisions enacted in 2017 Act 59 that make eligibility for FoodShare benefits contingent on cooperation with establishing child support orders, avoiding delinquent support, and cooperation in establishing paternity.

Under Act 59, DHS may implement these provisions only if implementation can be done in a manner that is substantially state budget-neutral in regard to child support fees. However, DHS has indicated that, barring a change to federal law, these provision cannot be implemented in a substantially state budget-neutral manner in regard to child support fees. As such, DHS has not implemented these provisions.

[Bill Sections: 712 thru 717]

Behavioral Health

1. REGIONAL CRISIS STABILIZATION FACILITY GRANT PROGRAM

GPR	$2,500,000

Governor: Provide $2,500,000 in 2020-21 for a new grant program to fund regional crisis stability facilities for adults. Create an annual, sum certain appropriation for the program and require DHS to establish criteria for stabilization facilities for adults and to award grants under the program. The 2017-19 budget established a grant program for youth crisis stabilization facilities, with base funding of $996,400 from program revenues collected by the state mental health institutes.

[Bill Sections: 205 and 746]

2. COMPREHENSIVE MENTAL HEALTH CONSULTATION PROGRAM PLANNING

GPR	$66,700

Governor: Provide $66,700 in 2019-20 in a new appropriation for developing a plan for a mental health consultation program. Specify that no moneys may be encumbered from this appropriation after June 30, 2021. Require DHS to convene a statewide group of interested persons

to develop a concept paper, business plan, and standards for a comprehensive mental health consultation program that incorporates general, geriatric, and addiction psychiatry, a perinatal psychiatry consultation program, and the child psychiatry consultation program.

Under current law, DHS administers grants supporting two clinical consultation programs--the child psychiatry consultation program, funded at $1,000,000 GPR annually, and the addiction medicine consultation program, funded at $500,000 GPR annually. Under both programs, the consultation service is staffed by specialists in the respective fields who answer inquiries from primary care providers regarding their patients.

[Bill Sections: 204 and 752]

3. OPIOID AND METHAMPHETAMINE TREATMENT CENTER GRANTS

Governor: Repeal a provision that prohibits DHS from providing grants to programs that offer methadone treatment under the opioid and methamphetamine treatment center grant program. Modify a related provision to remove the phrase "both long-acting opioid antagonist and partial agonist" from a description of medication-assisted treatment options. With this modification, medication-assisted treatment would not be restricted to those types of treatment medications. Naltrexone (an opioid antagonist) and buprenorphine (a partial agonist) are commonly used for the treatment of opioid addiction. Methadone, also commonly used in medication-assisted treatment, is an opioid agonist.

Under this program, DHS provides grants to five centers to provide medication-assisted treatment, residential services, counseling, or abstinence-based treatment. The program is funded with an appropriation of $3,016,000 GPR annually. DHS has also used a portion of federal opioid treatment grants to support the operation of these centers.

[Bill Sections: 750 and 751]

4. CRISIS TEAM GRANTS

Governor: Modify the purposes for which counties or multi-county regions may use grants DHS currently provides to establish certified mobile crisis teams in rural areas of the state by: (a) deleting references to "mobile crisis team" and replacing the term with "crisis program;" (b) permitting DHS to grant funds to enhance, as well as to establish, crisis programs; and (c) deleting references to "certified" programs. With these changes, DHS would award grants to counties or multi-county regions to establish or enhance crisis programs to serve individuals having crises in rural areas.

The program was created to help rural counties with a crisis service that did not meet criteria for medical assistance certification make the necessary upgrades to be certified. Currently, all but six counties have MA-certified crisis programs. DHS indicates that the remaining six are not currently pursuing MA certification. Consequently, this item would broaden the purposes of the grant program to allow counties to enhance their crisis programs to better serve rural areas,

regardless of whether such enhancements are intended to meet certification standards. The bill would not change base funding for this grant program ($125,000 GPR per year).

[Bill Sections: 203 and 484]

Departmentwide and Quality Assurance

1. STANDARD BUDGET ADJUSTMENTS

	Funding	Positions
GPR	$17,890,600	0.00
FED	10,152,500	- 4.50
PR	11,123,500	0.00
SEG	53,400	0.00
Total	$39,220,000	- 4.50

Governor: Provide $19,486,000 ($8,874,500 GPR, $5,044,200 FED, $5,540,800 PR and $26,500 SEG) in 2019-20 and $19,734,000 ($9,016,100 GPR, $5,108,300 FED, $5,582,700 PR and $26,900 SEG) in 2020-21, and the reduction of 3.0 FED positions in 2019-20 and 4.5 FED positions in 2020-21, to reflect the net effect of the following standard budget adjustments: (a) turnover reduction (-$3,231,600 GPR, -$1,748,600 FED, and -$2,361,600 PR annually); (b) removal of noncontinuing elements (-$253,000 FED and -3.0 FED positions in 2019-20 and -$295,800 FED and -4.5 FED positions in 2020-21); (c) full funding of continuing salaries and fringe benefits ($5,381,000 GPR, $5,189,800 FED, $2,823,000 PR and $25,100 SEG annually); (d) overtime ($3,486,100 GPR and $2,559,700 PR annually); (e) night and weekend salary differentials ($2,072,100 GPR, $101,100 FED and $2,254,900 PR annually); (f) increases in lease costs ($1,166,900 GPR, $1,754,900 FED, $264,800 PR and $1,400 SEG in 2019-20 and $1,308,500 GPR, $1,861,800 FED, $306,700 PR and $1,800 SEG in 2020-21); and (g) minor transfers within appropriations ($0 annually).

2. PROGRAM REVENUE FUNDING ADJUSTMENTS

PR	$34,505,600

Governor: Provide $17,202,800 in 2019-20 and $17,302,800 in 2020-21 to reflect the net effect of funding adjustments to certain program revenue appropriations.

The following table shows the base funding amount for each appropriation, the funding change under this item, the net funding changes to these appropriations under other items in the bill, and the total amount that would be budgeted in each appropriation under the Governor's budget recommendations.

Program Revenue Funding Adjustments

	Base	2019-20 Funding Change			2020-21 Funding Change		
		This Item	Other Items	Total	This Item	Other Items	Total
Public Health							
Lead Abatement Certification	$368,000	$32,000	-$10,100	$389,900	$32,000	-$10,100	$389,900
Independent Living Centers	600,000	60,000	0	660,000	60,000	0	660,000
Gifts and Grants	13,277,900	4,889,100	500	18,167,500	4,889,100	500	18,167,500
Radiation Monitoring	167,700	30,300	7,600	205,600	30,300	7,600	205,600
Tanning Fees	12,200	100	-12,300	0	100	-12,300	0
Inter-Agency and Intra-Agency Aids	100,000	1,729,700	0	1,829,700	1,729,700	0	1,829,700
Congenital Disorders -- State Operations	565,500	51,100	0	616,600	51,100	0	616,600
Asbestos Abatement Certification	644,400	37,600	-18,000	664,000	37,600	-18,000	664,000
Medicaid Services							
Third-Party Administrator	510,000	6,000,000	90,000	6,600,000	6,000,000	140,000	6,650,000
Inter-Agency and Intra-Agency Programs	6,704,500	1,339,300	160,500	8,204,300	1,439,300	160,500	8,304,300
Care and Treatment Services							
Inter-Agency and Intra-Agency Programs	2,908,300	222,100	139,300	3,269,700	222,100	139,300	3,269,700
Quality Assurance							
Nursing Facility Resident Protection	220,300	2,479,700	0	2,700,000	2,479,700	0	2,700,000
Health Facilities Plan Reviews	887,900	12,100	-24,700	875,300	12,100	-24,700	875,300
Health Facilities -- License Fees	767,200	142,800	24,300	934,300	142,800	24,300	934,300
Licensing and Support Services	2,555,400	44,600	1,113,000	3,713,000	44,600	799,000	3,399,000
General Administration							
Office of the Inspector General -- Inter-Agency and Intra-Agency Operations	797,500	132,300	140,800	1,070,600	132,300	140,800	1,070,600
Total		**$17,202,800**			**$17,302,800**		

3. FEDERAL REVENUE REESTIMATES

FED	$110,494,600

Governor: Provide $55,282,300 in 2019-20 and $55,212,300 in 2020-21 to reflect the net effect of funding adjustments to certain federal appropriations that are not included in other items in the Governor's budget.

The following table shows the base funding amount for each appropriation affected by this item, the funding change under this item, the net funding changes to these appropriations under other items in the Governor's budget, and the total amount that would be budgeted in each appropriation under the Governor's budget recommendations.

Federal Revenue Reestimates

	Base	2019-20 Reestimate	2019-20 Other Items	2019-20 Total	2020-21 Reestimate	2020-21 Other Items	2020-21 Total
Public Health							
Federal Aging Programs -- State Operations	$1,226,400	$204,400	$19,900	$1,450,700	$204,400	$19,900	$1,450,700
Women, Infants and Children -- State Operations	5,066,700	1,414,100	161,000	6,641,800	1,414,100	161,000	6,641,800
Federal Projects -- Operations	27,006,000	4,966,000	555,500	32,527,500	4,966,000	555,500	32,527,500
Federal Projects -- Aids	45,865,500	14,809,500	0	60,675,000	14,809,500	0	60,675,000
Maternal and Child Health Block Grant -- State Operations	4,412,800	1,245,200	354,000	6,012,000	1,245,200	354,000	6,012,000
Federal Program Aids - Elderly Programs -- Aids	0	29,802,000	0	29,802,000	29,802,000	0	29,802,000
Care and Treatment Services							
Federal Projects -- Aids	4,639,400	7,581,200	0	12,220,600	7,581,200	0	12,220,600
Federal Projects -- Operations	507,300	197,500	245,800	950,600	197,500	203,000	907,800
Community Mental Health Block Grant -- Operations	733,800	216,200	13,000	963,000	216,200	13,000	963,000
Community Mental Health Block Grant -- Aids	3,217,300	752,300	0	3,969,600	752,300	0	3,969,600
Disability and Elder Services							
Federal Projects -- Aids	0	10,500,000	0	10,500,000	10,500,000	0	10,500,000
Federal Programs -- Local Assistance	7,560,000	1,940,000	0	9,500,000	1,940,000	0	9,500,000
Federal Programs -- Aids	25,577,000	-24,577,000	0	1,000,000	-24,577,000	0	1,000,000
Social Services Block Grant -- Transfer	0	6,131,400	0	6,131,400	6,131,400	0	6,131,400
Social Services Block Grant -- Local Assistance	20,978,700	-21,200	0	20,957,500	-91,200	0	20,887,500
General Administration			0				
FoodShare Administration	846,100	53,900	13,100	913,100	53,900	13,100	913,100
Office of the Inspector General -- Federal Local Assistance	1,033,200	66,800	0	1,100,000	66,800	0	1,100,000
Total		**$55,282,300**			**$55,212,300**		

4. POSITION AND FUNDING TRANSFERS

	Funding	Positions
FED	$72,200	- 0.90
PR	- 72,200	0.90
Total	$0	0.00

Governor: Provide $36,100 FED and reduce funding by $36,100 PR annually, and convert the funding sources for current positions to create a net decrease of 0.9 FED position and a net increase of 0.9 PR position, beginning in 2019-20. The transfer of funding and position authority between appropriations is intended to accurately align funding with the activities of current positions. These transfers reflect reorganizations within the Department and the reassignment of positions that occurred in the current biennium.

5. MEDICAL CANNABIS REGISTRY

	Funding	Positions
GPR	$440,000	0.00
PR	801,200	4.00
Total	$1,241,200	4.00

Governor: Provide $840,600 ($440,000 GPR and $400,600 PR) in 2019-20 and $400,600 PR in 2020-21, and 4.0 PR positions

beginning in 2019-20, to implement a medical cannabis registry program within the Division of Quality Assurance to track qualifying patients who would be eligible for medication with tetrahydrocannabinols. [See "Marijuana -- Related Provisions."]

[Bill Sections: 206 and 1763]

6. BUREAU OF ASSISTED LIVING STAFF

	Funding	Positions
FED	$764,900	4.44
PR	1,302,600	7.56
Total	$2,067,500	12.00

Governor: Provide $886,100 ($327,800 FED and $558,300 PR) in 2019-20 and $1,181,400 ($437,100 FED and $744,300 PR) in 2020-21, to fund an additional 12.0 project positions (4.44 FED positions and 7.56 PR positions), beginning in in 2019-20 and ending June 30, 2021, to provide 9.0 additional surveyor positions and 3.0 non-surveyor professional positions within the DHS Bureau of Assisted Living to meet workload due to the growth in the number of assisted living facilities in the state.

The Department's Bureau of Assisted Living in the Division of Quality Assurance conducts activities relating to the initial certification, licensing, or registration of assisted living facilities; conducts ongoing surveys; and investigates complaints against these facilities. Assisted living facilities include adult family homes, adult day cares, residential care apartment complexes, and community-based residential facilities.

7. REPORTING AND FEE REQUIREMENTS FOR ASSISTED LIVING FACILITIES

PR	$500,000

Governor: Provide $500,000 in 2019-20 on a one-time basis to fund IT infrastructure improvements as part of an automated licensing project and to enable assisted living providers to enter reports online.

Require adult day care centers and residential care apartment complexes (RCACs) to submit a report to DHS, every 24 months on a schedule determined by DHS, using an online system prescribed by DHS. Require the report to: (a) be in a format determined by DHS; and (b) contain the information required by DHS, including payment of any fee due. Require DHS to issue a warning to any operator of an adult day care centers or RCAC who does not file a complete report in a timely manner. Authorize DHS to revoke an adult day care center's or RCAC's certification, or an RCAC's registration, for failure to timely and completely report within 60 days after the report date established under the schedule determined by DHS.

Modify current law to require licensed community-based residential facilities and licensed adult family homes to submit required reports every 24 months, through an online system prescribed by DHS. Current law requires these types of assisted living facilities to submit reports every 24 months containing information DHS requires, but does not require online submissions.

[Bill Sections: 683, 728 thru 730, and 732]