



## 1995 ASSEMBLY BILL 717

December 6, 1995 - Introduced by Representatives BLACK, MURAT, CARPENTER, BOCK, R. YOUNG, WIRCH, MEYER, RYBA, DUEHOLM, SPRINGER, VANDER LOOP, RILEY, BALDUS, HUBER, KRUG, BELL, PLACHE, WILDER, PLOMBON, ROBSON, BALDWIN, KRUSICK, GROBSCHMIDT, TURNER, BOYLE, LA FAVE, HASENOHRL and NOTESTEIN, cosponsored by Senators DECKER, BRESKE, CLAUSING, CHVALA, WINEKE and RISSER. Referred to Committee on Welfare Reform.

1     **AN ACT to amend** 20.435 (1) (b) and 20.435 (7) (bd); **to repeal and recreate**  
2             20.435 (1) (b); and **to create** 49.45 (6vm) of the statutes; **relating to:** transfer  
3             of funds from the medical assistance program to the long-term support  
4             community options program under certain conditions and making  
5             appropriations.

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### *Analysis by the Legislative Reference Bureau*

Under current law before enactment of 1995 Wisconsin Act 27 (the budget act), the department of health and social services (DHSS) was required annually to submit to the joint committee on finance (JCF) a report on nursing home bed utilization by medical assistance recipients for the immediate prior 2 consecutive fiscal years. If the report indicated a decrease in bed utilization in the most recent fiscal year from the previous fiscal year, DHSS was required to calculate, under a formula, the difference in costs between the 2 fiscal years for the provision of the care. The DHSS report to JCF was required to include a proposal to transfer the amount of that difference from the general purpose revenue appropriation for medical assistance to the general purpose revenue appropriation for the community options program. If within 14 working days after submission of the report JCF did not schedule a meeting to review the action, the secretary of health and social services was required to so transfer the funds. These requirements were eliminated under 1995 Wisconsin Act 27.

This bill restores the requirements for DHSS to annually submit a report to JCF concerning medical assistance-funded bed utilization in nursing homes; that, if the bed utilization has decreased, DHSS calculate a figure that is the difference in costs for the provision of this care; and that, if JCF fails to schedule a meeting to review the issue, funds be transferred from the medical assistance program to the community options program.

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

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

1           **SECTION 1.** 20.435 (1) (b) of the statutes, as affected by 1995 Wisconsin Act 27,  
2 section 807, is amended to read:

3           20.435 (1) (b) *Medical assistance program benefits.* Biennially, the amounts in  
4 the schedule to provide the state share of medical assistance program benefits  
5 administered under s. 49.45, to provide medical assistance program benefits  
6 administered under s. 49.45 that are not also provided under par. (o) and to fund the  
7 pilot project under s. 46.27 (9) and (10). Notwithstanding s. 20.002 (1), the  
8 department may transfer from this appropriation to the appropriation under sub. (7)  
9 (kb) funds in the amount of and for the purposes specified in s. 46.485.  
10 Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or  
11 deposit into this appropriation and may transfer between fiscal years funds that it  
12 transfers from the appropriation under sub. (7) (kb) for the purposes specified in s.  
13 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this  
14 appropriation to the appropriation under sub. (7) (bd) funds in the amount of and for  
15 the purposes specified in s. 49.45 (6vm).

16           **SECTION 2.** 20.435 (1) (b) of the statutes, as affected by 1995 Wisconsin Acts 27,  
17 section 808, and .... (this act), is repealed and recreated to read:

18           20.435 (1) (b) *Medical assistance program benefits.* Biennially, the amounts in  
19 the schedule to provide the state share of medical assistance program benefits  
20 administered under s. 49.45, to provide medical assistance program benefits  
21 administered under s. 49.45 that are not also provided under par. (o) and to fund the

1 pilot project under s. 46.27 (9) and (10). Notwithstanding s. 20.002 (1), the  
2 department may transfer from this appropriation to the appropriation under sub. (3)  
3 (kb) funds in the amount of and for the purposes specified in s. 46.485.  
4 Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or  
5 deposit into this appropriation and may transfer between fiscal years funds that it  
6 transfers from the appropriation under sub. (3) (kb) for the purposes specified in s.  
7 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this  
8 appropriation to the appropriation under sub. (7) (bd) funds in the amount of and for  
9 the purposes specified in s. 49.45 (6vm).

10 **SECTION 3.** 20.435 (7) (bd) of the statutes, as affected by 1995 Wisconsin Act 27,  
11 is amended to read:

12 20.435 (7) (bd) *Community options program and long-term support pilot*  
13 *projects.* The amounts in the schedule for assessments, case planning, services and  
14 administration under s. 46.27 and for pilot projects for home and community-based  
15 long-term support services under s. 46.271. Notwithstanding ss. 20.001 (3) (a) and  
16 20.002 (1), the department may under this paragraph transfer moneys between  
17 fiscal years. Except for moneys authorized for transfer under this appropriation or  
18 under s. 46.27 (7) (fm) or (g), all moneys under this appropriation that are allocated  
19 under s. 46.27 and are not spent or encumbered by counties by December 31 of each  
20 year shall lapse to the general fund on the succeeding January 1 unless transferred  
21 to the next calendar year by the joint committee on finance. Notwithstanding ss.  
22 20.001 (3) (a) and 20.002 (1), the department may credit or deposit into this  
23 appropriation funds that it transfers from the appropriation under sub. (1) (b) for the  
24 purposes specified in s. 49.45 (6vm).

25 **SECTION 4.** 49.45 (6vm) of the statutes is created to read:

1           49.45 **(6vm)** TRANSFER OF FUNDS TO COMMUNITY OPTIONS PROGRAM. (a) "Facility"  
2 has the meaning given in sub. (6m) (a) 3.

3           (b) The department shall, by September 1 of each year, submit to the joint  
4 committee on finance a report that provides information on the utilization of beds by  
5 recipients of medical assistance in facilities for the immediate prior 2 consecutive  
6 fiscal years.

7           (c) If the report specified in par. (b) indicates that utilization of beds by  
8 recipients of medical assistance in facilities decreased during the most recently  
9 completed fiscal year from the utilization of beds by recipients of medical assistance  
10 in facilities in the next most recently completed fiscal year, the department shall  
11 multiply the difference between the number of days of care provided in each of the  
12 immediate prior 2 consecutive fiscal years by the average daily costs of care in such  
13 facilities. The average daily costs of care shall be calculated by dividing the total  
14 medical assistance expenditures for care in facilities by the total number of days of  
15 care provided in facilities in that fiscal year.

16           (d) If par. (c) applies, the department's report under par. (b) shall include a  
17 proposal to transfer the amount calculated under par. (c) from the appropriation  
18 under s. 20.435 (1) (b) to the appropriation under s. 20.435 (7) (bd) for the purpose  
19 of increasing funding for the community options program under s. 46.27. The  
20 secretary shall transfer the amount identified under the proposal if within 14  
21 working days after the submission of the proposal the joint committee on finance  
22 does not schedule a meeting for the purpose of reviewing the proposed action.

23           (e) The joint committee on finance may approve or modify any proposal  
24 submitted by the department under this subsection.

