

## 2003 ASSEMBLY BILL 930

March 4, 2004 – Introduced by Representative BLACK. Referred to Committee on Aging and Long-Term Care.

1 **AN ACT** *to amend* 49.45 (6v) (b) and 49.45 (6v) (c); and *to create* 49.45 (6v) (d)  
2 and 49.45 (6v) (e) of the statutes; **relating to:** the transfer of funds from  
3 Medical Assistance to the Long-term Support Community Options Program  
4 under certain conditions.

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### ***Analysis by the Legislative Reference Bureau***

Under current law, the Department of Health and Family Services (DHFS) is required to submit a report, annually, to the Joint Committee on Finance (JCF) on the utilization of beds by medical assistance recipients in nursing homes and community-based residential facilities (CBRFs). The report must also contain information on the likely balances, expenditures, encumbrances, and carry-overs for the appropriation accounts for Medical Assistance (MA) in the fiscal year in which the report is submitted. If DHFS finds that the utilization of beds by medical assistance recipients is less than estimated by JCF, the legislature, and the governor in budget determinations, DHFS must also submit a proposal to JCF to transfer general purpose revenue (GPR) that is appropriated for MA to the Long-term Support Community Options Program (COP), and the secretary of health and family services must transfer the amount. The amount transferred may not result in a deficit in MA at the end of the fiscal year.

This bill, beginning on July 1, 2004, eliminates the requirement that the report include information on the appropriation accounts for MA. Instead, under the bill, the report must include information on the utilization of beds by medical assistance recipients in nursing homes and CBRFs for the two fiscal years that immediately

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precede the fiscal year in which the report is submitted. The bill specifies that, if the number of beds utilized decreased, DHFS must calculate, under a formula, the difference in the cost of care for the medical assistance recipients for the two fiscal years and submit a proposal to JCF to transfer the portion of the difference that is the state share of MA expenditures to the COP program. JCF may approve or modify the proposed transfer under a 14-day passive review process. The bill requires that 40% of the amount transferred be expended under the part of COP that is funded solely from GPR and that 60% of the amount transferred be expended under the part of COP that is funded from GPR and federal medicaid moneys.

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.** 49.45 (6v) (b) of the statutes is amended to read:

2           49.45 (6v) (b) The Beginning on July 1, 2004, and annually thereafter, the  
3 department shall, ~~each year,~~ submit to the joint committee on finance a report ~~for the~~  
4 ~~previous fiscal year, except for the 1997–98 fiscal year,~~ that provides information on  
5 the utilization of beds by recipients of medical assistance in facilities ~~and a~~  
6 ~~discussion and detailed projection of the likely balances, expenditures,~~  
7 ~~encumbrances and carry over of currently appropriated amounts in the~~  
8 ~~appropriation accounts under s. 20.435 (4) (b) and (e) for the immediately prior 2~~  
9 consecutive fiscal years.

10           **SECTION 2.** 49.45 (6v) (c) of the statutes is amended to read:

11           49.45 (6v) (c) If the report specified in par. (b) indicates that utilization of beds  
12 by recipients of medical assistance in facilities ~~is less than estimates for that~~  
13 ~~utilization reflected in the intentions of the joint committee on finance, legislature~~  
14 ~~and governor, as expressed by them in the budget determinations, the department~~  
15 ~~shall include a proposal to transfer moneys from the appropriation under s. 20.435~~  
16 ~~(4) (b) to the appropriation under s. 20.435 (7) (bd) for the purpose of increasing~~

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1 ~~funding for the community options program under s. 46.27. The amount proposed~~  
2 ~~for transfer may not reduce the balance in the appropriation account under s. 20.435~~  
3 ~~(4) (b) below an amount necessary to ensure that that appropriation account will end~~  
4 ~~the current fiscal year or the current fiscal biennium with a positive balance. The~~  
5 ~~secretary shall transfer the amount identified under the proposal decreased during~~  
6 ~~the most-recently completed fiscal year from the utilization of beds by medical~~  
7 ~~assistance recipients in facilities in the next most-recently completed fiscal year, the~~  
8 ~~department shall multiply the difference between the number of days of care~~  
9 ~~provided to the recipients in the facilities in each of those prior 2 consecutive fiscal~~  
10 ~~years by the average daily costs of care in the facilities for the most-recently~~  
11 ~~completed fiscal year. The average daily costs of care shall be calculated by dividing~~  
12 ~~the total of Medical Assistance expenditures for care in facilities for the~~  
13 ~~most-recently completed fiscal year by the total number of days of care provided in~~  
14 ~~facilities in that fiscal year.~~

15 **SECTION 3.** 49.45 (6v) (d) of the statutes is created to read:

16 49.45 **(6v)** (d) If par. (c) applies and if the amount calculated under par. (c) is  
17 positive, the department's report under par. (b) shall include a proposal to transfer  
18 an amount equal to the portion of the amount calculated under par. (c) that is the  
19 state share of Medical Assistance expenditures from the appropriation account  
20 under s. 20.435 (4) (b) to the appropriation account under s. 20.435 (7) (bd) for the  
21 purpose of increasing funding for the Long-term Support Community Options  
22 Program under s. 46.27. If the cochairpersons of the joint committee on finance do  
23 not notify the secretary within 14 working days after the date on which the  
24 department submits the proposal that the committee has scheduled a meeting for the  
25 purpose of reviewing the proposal, the secretary shall transfer the amount identified

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1 under the proposal. If, within 14 working days after the date on which the  
2 department submits the proposal, the cochairpersons of the joint committee on  
3 finance notify the secretary that the committee has scheduled a meeting for the  
4 purpose of reviewing the proposal, the secretary may transfer moneys from the  
5 appropriation account under s. 20.435 (4) (b) to the appropriation account under s.  
6 20.435 (7) (bd) only as approved by the committee.

7 **SECTION 4.** 49.45 (6v) (e) of the statutes is created to read:

8 49.45 (6v) (e) Of the amount required to be transferred by the secretary under  
9 par. (d), 40% shall be expended for services as specified under s. 46.27 (7) and 60%  
10 shall be expended for services as specified under s. 46.27 (11).

11 (END)