

2007 – 2008 LEGISLATURE
March 2008 Special Session

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DAK/RLR/ARG:cjs&wlj:rs

**SENATE AMENDMENT 2,
TO SENATE AMENDMENT 1,
TO ASSEMBLY BILL 1**

March 25, 2008 – Offered by Senators Miller and Decker.

*** AUTHORS SUBJECT TO CHANGE ***

- 1 At the locations indicated, amend the amendment as follows:
- 2 **1.** Page 2, line 7: delete “147,726,500” and substitute “147,726,500”.
- 3 **2.** Page 2, line 8: delete lines 8 to 10.
- 4 **3.** Page 2, line 23: delete the material beginning with that line and ending with
5 page 3, line 4.
- 6 **4.** Page 4, line 2: after that line insert:
- 7 “**SECTION 9aim.** 25.77 (11) of the statutes is created to read:
- 8 25.77 (11) In fiscal year 2007–08, \$58,500,000, and in fiscal year 2008–09 and
9 every fiscal year thereafter, \$65,000,000, as adjusted, if necessary, to comply with s.
10 50.375 (6), that is transferred from the hospital assessment fund.”.
- 11 **5.** Page 4, line 6: after “hospitals.” insert “From the hospital assessment fund
12 there is transferred to the Medical Assistance trust fund \$58,500,000 in fiscal year

1 2007–08 and \$65,000,000 in fiscal year 2008–09 and every fiscal year thereafter, as
2 adjusted, if necessary, to comply with s. 50.375 (6).”.

3 **6.** Page 4, line 7: delete the material beginning with that line and ending with
4 page 6, line 11, and substitute:

5 “**SECTION 9ajg.** 46.27 (9) (a) of the statutes is amended to read:

6 46.27 **(9)** (a) The department may select up to 5 counties that volunteer to
7 participate in a pilot project under which they will receive certain funds allocated for
8 long–term care. The department shall allocate a level of funds to these counties
9 equal to the amount that would otherwise be paid under s. 20.435 (4) (b), ~~(gp)~~, or (w),
10 to nursing homes for providing care because of increased utilization of nursing home
11 services, as estimated by the department. In estimating these levels, the department
12 shall exclude any increased utilization of services provided by state centers for the
13 developmentally disabled. The department shall calculate these amounts on a
14 calendar year basis under sub. (10).

15 **SECTION 9ajh.** 46.27 (10) (a) 1. of the statutes is amended to read:

16 46.27 **(10)** (a) 1. The department shall determine for each county participating
17 in the pilot project under sub. (9) a funding level of state medical assistance
18 expenditures to be received by the county. This level shall equal the amount that the
19 department determines would otherwise be paid under s. 20.435 (4) (b), ~~(gp)~~, or (w),
20 or because of increased utilization of nursing home services, as estimated by the
21 department.

22 **SECTION 9aji.** 46.275 (5) (a) of the statutes is amended to read:

23 46.275 **(5)** (a) Medical Assistance reimbursement for services a county, or the
24 department under sub. (3r), provides under this program is available from the

1 appropriation accounts under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w). If 2 or more counties
2 jointly contract to provide services under this program and the department approves
3 the contract, Medical Assistance reimbursement is also available for services
4 provided jointly by these counties.

5 **SECTION 9ajj.** 46.275 (5) (c) of the statutes is amended to read:

6 46.275 (5) (c) The total allocation under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w) to
7 counties and to the department under sub. (3r) for services provided under this
8 section may not exceed the amount approved by the federal department of health and
9 human services. A county may use funds received under this section only to provide
10 services to persons who meet the requirements under sub. (4) and may not use
11 unexpended funds received under this section to serve other developmentally
12 disabled persons residing in the county.

13 **SECTION 9ajk.** 46.283 (5) of the statutes is amended to read:

14 46.283 (5) FUNDING. From the appropriation accounts under s. 20.435 (4) (b),
15 (bm), ~~(gp)~~, (pa), and (w) and (7) (b), (bd), and (md), the department may contract with
16 organizations that meet standards under sub. (3) for performance of the duties under
17 sub. (4) and shall distribute funds for services provided by resource centers.

18 **SECTION 9ajL.** 46.284 (5) (a) of the statutes, as affected by 2007 Wisconsin Act
19 20, is amended to read:

20 46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), ~~(gp)~~,
21 (im), (o), and (w) and (7) (b), (bd), and (g), the department shall provide funding on
22 a capitated payment basis for the provision of services under this section.
23 Notwithstanding s. 46.036 (3) and (5m), a care management organization that is
24 under contract with the department may expend the funds, consistent with this

1 section, including providing payment, on a capitated basis, to providers of services
2 under the family care benefit.

3 **SECTION 9ajm.** 46.485 (2g) (intro.) of the statutes is amended to read:

4 46.485 **(2g)** (intro.) From the appropriation accounts account under s. 20.435
5 (4) (b) and ~~(gp)~~, the department may in each fiscal year transfer funds to the
6 appropriation under s. 20.435 (7) (kb) for distribution under this section and from the
7 appropriation account under s. 20.435 (7) (mb) the department ~~may not~~ shall
8 distribute ~~more than~~ \$1,330,500 in each fiscal year to applying counties in this state
9 that meet all of the following requirements, as determined by the department.”.

10 **7.** Page 8, line 1: delete lines 1 to 17 and substitute:

11 “**SECTION 9bfg.** 49.45 (2) (a) 17. of the statutes is amended to read:

12 49.45 **(2)** (a) 17. Notify the governor, the joint committee on legislative
13 organization, the joint committee on finance and appropriate standing committees,
14 as determined by the presiding officer of each house, if the appropriation accounts
15 account under s. 20.435 (4) (b) and ~~(gp)~~ are is insufficient to provide the state share
16 of medical assistance.

17 **SECTION 9bfh.** 49.45 (5m) (ag) of the statutes is repealed.

18 **SECTION 9bfi.** 49.45 (5m) (am) of the statutes is amended to read:

19 49.45 **(5m)** (am) Notwithstanding sub. (3) (e), from the appropriation accounts
20 under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w), the department shall distribute not more
21 than ~~\$2,256,000~~ \$5,256,000 in each fiscal year 2007–08 and each fiscal year
22 thereafter, to provide supplemental funds to rural hospitals that, as determined by
23 the department, have high utilization of inpatient services by patients whose care
24 is provided from governmental sources, ~~and to provide supplemental funds to critical~~

1 access hospitals, except that the department may not distribute funds to a rural
2 hospital or to a critical access hospital to the extent that the distribution would
3 exceed any limitation under 42 USC 1396b (i) (3).”.

4 **8.** Page 8, line 21: delete “~~or (w), or (xd)~~” and substitute “or (w)”.

5 **9.** Page 9, line 3: delete the material beginning with that line and ending with
6 page 11, line 23, and substitute:

7 **“SECTION 9bkg.** 49.45 (6v) (b) of the statutes is amended to read:

8 49.45 (6v) (b) The department shall, each year, submit to the joint committee
9 on finance a report for the previous fiscal year, except for the 1997–98 fiscal year, that
10 provides information on the utilization of beds by recipients of medical assistance in
11 facilities and a discussion and detailed projection of the likely balances,
12 expenditures, encumbrances and carry over of currently appropriated amounts in
13 the appropriation accounts under s. 20.435 (4) (b), ~~(gp)~~, and (o).

14 **SECTION 9bkh.** 49.45 (6x) (a) of the statutes is amended to read:

15 49.45 (6x) (a) Notwithstanding sub. (3) (e), from the appropriation accounts
16 under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w), the department shall distribute not more
17 than \$4,748,000 in each fiscal year, to provide funds to an essential access city
18 hospital, except that the department may not allocate funds to an essential access
19 city hospital to the extent that the allocation would exceed any limitation under 42
20 USC 1396b (i) (3).

21 **SECTION 9bki.** 49.45 (6y) (a) of the statutes is amended to read:

22 49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriation accounts
23 under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w), the department ~~shall~~ may distribute funding
24 in each fiscal year to provide supplemental payment to hospitals that enter into a

1 contract under s. 49.02 (2) to provide health care services funded by a relief block
2 grant, as determined by the department, for hospital services that are not in excess
3 of the hospitals' customary charges for the services, as limited under 42 USC 1396b
4 (i) (3). If no relief block grant is awarded under this chapter or if the allocation of
5 funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the
6 department may distribute funds to hospitals that have not entered into a contract
7 under s. 49.02 (2).

8 **SECTION 9bkj.** 49.45 (6y) (am) of the statutes is amended to read:

9 49.45 (6y) (am) Notwithstanding sub. (3) (e), from the appropriation accounts
10 under s. 20.435 (4) (b), (h), ~~(gp)~~, (o), and (w), the department shall distribute funding
11 in each fiscal year to provide supplemental payments to hospitals that enter into
12 contracts under s. 49.02 (2) with a county having a population of 500,000 or more to
13 provide health care services funded by a relief block grant, as determined by the
14 department, for hospital services that are not in excess of the hospitals' customary
15 charges for the services, as limited under 42 USC 1396b (i) (3).

16 **SECTION 9bkk.** 49.45 (6z) (a) (intro.) of the statutes, as affected by 2007
17 Wisconsin Act 20, is amended to read:

18 49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriation
19 accounts under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w), the department may distribute
20 funding in each fiscal year to supplement payment for services to hospitals that enter
21 into indigent care agreements, in accordance with the approved state plan for
22 services under 42 USC 1396a, with relief agencies that administer the medical relief
23 block grant under this chapter, if the department determines that the hospitals serve
24 a disproportionate number of low-income patients with special needs. If no medical
25 relief block grant under this chapter is awarded or if the allocation of funds to such

1 hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department
2 may distribute funds to hospitals that have not entered into indigent care
3 agreements. The department may not distribute funds under this subsection to the
4 extent that the distribution would do any of the following:

5 **SECTION 9bkL.** 49.45 (8) (b) of the statutes is amended to read:

6 49.45 **(8)** (b) Reimbursement under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w) for home
7 health services provided by a certified home health agency or independent nurse
8 shall be made at the home health agency's or nurse's usual and customary fee per
9 patient care visit, subject to a maximum allowable fee per patient care visit that is
10 established under par. (c).

11 **SECTION 9bkm.** 49.45 (24m) (intro.) of the statutes is amended to read:

12 49.45 **(24m)** (intro.) From the appropriation accounts under s. 20.435 (4) (b),
13 ~~(gp)~~, (o), and (w), in order to test the feasibility of instituting a system of
14 reimbursement for providers of home health care and personal care services for
15 medical assistance recipients that is based on competitive bidding, the department
16 shall:

17 **SECTION 9bkn.** 49.45 (52) of the statutes is amended to read:

18 49.45 **(52)** PAYMENT ADJUSTMENTS. Beginning on January 1, 2003, the
19 department may, from the appropriation account under s. 20.435 (7) (b), make
20 Medical Assistance payment adjustments to county departments under s. 46.215,
21 46.22, 46.23, or 51.42, or 51.437 or to local health departments, as defined in s. 250.01
22 (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and
23 (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16. Payment
24 adjustments under this subsection shall include the state share of the payments.
25 The total of any payment adjustments under this subsection and Medical Assistance

1 payments made from appropriation accounts under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w),
2 may not exceed applicable limitations on payments under 42 USC 1396a (a) (30)
3 (A).”.

4 **10.** Page 13, line 22: delete the material beginning with that line and ending
5 with page 14, line 14, and substitute:

6 “**SECTION 9cbg.** 49.472 (6) (a) of the statutes is amended to read:

7 49.472 **(6)** (a) Notwithstanding sub. (4) (a) 3., from the appropriation account
8 under s. 20.435 (4) (b), ~~(gp)~~, or (w), the department shall, on the part of an individual
9 who is eligible for medical assistance under sub. (3), pay premiums for or purchase
10 individual coverage offered by the individual’s employer if the department
11 determines that paying the premiums for or purchasing the coverage will not be more
12 costly than providing medical assistance.

13 **SECTION 9cbh.** 49.472 (6) (b) of the statutes is amended to read:

14 49.472 **(6)** (b) If federal financial participation is available, from the
15 appropriation account under s. 20.435 (4) (b), ~~(gp)~~, or (w), the department may pay
16 medicare Part A and Part B premiums for individuals who are eligible for medicare
17 and for medical assistance under sub. (3).

18 **SECTION 9cbi.** 49.473 (5) of the statutes is amended to read:

19 49.473 **(5)** The department shall audit and pay, from the appropriation
20 accounts under s. 20.435 (4) (b), ~~(gp)~~, and (o), allowable charges to a provider who is
21 certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who
22 meets the requirements under sub. (2) for all benefits and services specified under
23 s. 49.46 (2).”.

24 **11.** Page 15, line 7: after “shall” insert “, for each fiscal year,”.

1 **12.** Page 15, line 10: delete “accounts under s. 20.435 (4) (xc) and (xd)” and
2 substitute “account under s. 20.435 (4) (xc) and specified in s. 25.77 (11)”.

3 **13.** Page 15, line 13: delete lines 13 to 19 and substitute:

4 “(6) If the department determines that any portion of the revenue that is
5 collected under sub. (5) and appropriated under s. 20.435 (4) (xc) to provide Medical
6 Assistance payment increases for inpatient and outpatient hospital services as fee
7 for service or through health maintenance organizations is not eligible for federal
8 financial participation, the department shall refund to hospitals, in proportion to
9 each hospital’s payment of the assessment under sub. (4), all of the following:

10 (a) The amount appropriated under s. 20.435 (4) (xc) that is ineligible for
11 federal financial participation.

12 (b) After the amount under par. (a) is refunded, an amount that is 30.555
13 percent of the amount under par. (a).”.

14 **14.** Page 17, line 19: after “(f)” insert “and (g)”.

15 **15.** Page 17, line 19: delete “is” and substitute “are”.

16 **16.** Page 19, line 12: after that line insert:

17 “(g) The governing bodies of the counties of Kenosha, Milwaukee, and Racine,
18 and of the most populous city in each of these 3 counties, may submit to the electors
19 in an advisory referendum the question of supporting an increase in the fees that
20 may be imposed by the authority under subch. XIII of ch. 77.”.

21 **17.** Page 154, line 8: delete “\$2 \$15” and substitute “\$2, or not to exceed \$15
22 if the governing body of the regional transit authority approves a fee under this
23 section at such a rate.”.

24 **18.** Page 158, line 2: after that line insert:

