



2011 ASSEMBLY BILL 148

May 25, 2011 – Introduced by Representatives PETRYK, T. LARSON, BERNIER, BROOKS, ENDSLEY, KAUFERT, KLEEFISCH, KLENKE, KNILANS, KOOYENGA, LEMAHIEU, MARKLEIN, MURSAU, NYGREN, RIVARD, STEINEKE, STRACHOTA, TRANEL, VOS, TIFFANY, LITJENS and JACQUE, cosponsored by Senators DARLING, GROTHMAN, HOPPER, KAPANKE, LEIBHAM and OLSEN. Referred to Joint Committee on Finance.

1 **AN ACT to affect** 2007 Wisconsin Act 20, section 9201 (1c) (a), 2011 Wisconsin Act
2 10, section 9219, 2011 Wisconsin Act 10, section 9221 (2), 2011 Wisconsin Act
3 10, section 9227 (2), 2011 Wisconsin Act 10, section 9230, 2011 Wisconsin Act
4 10, section 9245 and 2011 Wisconsin Act 10, section 9255; **relating to:** changes
5 affecting state finances in the 2010–11 fiscal year and making an
6 appropriation.

Analysis by the Legislative Reference Bureau

This bill makes all of the following changes relating to state finances during the 2010–11 fiscal year:

1. The bill repeals all lapse requirements under 2011 Wisconsin Act 10 relating to lapses from state agencies, the office of the governor, the legislature, and the courts that were intended to capture employer savings from fringe benefit changes under that act.

2. 2007 Wisconsin Act 20 required that \$200,000,000 be lapsed or transferred to the general fund during the 2009–11 fiscal biennium. 2011 Wisconsin Act 13 reduced this amount to \$121,000,000. This bill further reduces this amount to \$67,000,000.

3. In *Wisconsin Medical Society, Inc. v. Morgan*, 2010 WI 94, the court held that a transfer of \$200,000,000 from the injured patients and families compensation fund to the Medical Assistance trust fund, which was required by 2007 Wisconsin Act 20,

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was unconstitutional. The bill transfers \$235,000,000 by June 30, 2012, from the general fund to the injured patients and families compensation fund. The transferred moneys must be used for the purpose of paying the amount ordered by the court in *Wisconsin Medical Society, Inc. v. Morgan*.

4. The bill increases the amount that the Department of Health Services (DHS) is authorized to spend in fiscal year 2010-11 from the Medical Assistance appropriation account that derives from general purpose revenue to pay for certain services under the Medical Assistance program and to pay capitation payments to care management organizations and other entities that provide services to medical assistance recipients under a managed care system for services provided to individuals enrolled in care management organizations and managed care systems. The bill decreases the amount that DHS is authorized to spend in fiscal year 2011-12 from that appropriation account.

5. The bill decreases the amount that DHS is authorized to spend from the appropriation account that is derived from general purpose revenue and that provides moneys for community aids, including certain long-term care services.

6. The bill reduces the general purpose revenue funds general program supplements appropriation to the Joint Committee on Finance by \$4,590,400.

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

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

1 **SECTION 1.** 2007 Wisconsin Act 20, section 9201 (1c) (a), as affected by 2011
2 Wisconsin Act 13, is amended to read:
3 [2007 Wisconsin Act 20] Section 9201 (1c) (a) Notwithstanding sections 20.001
4 (3) (a) to (c) and 25.40 (3) of the statutes, but subject to paragraph (d), the secretary
5 of administration shall lapse to the general fund or transfer to the general fund from
6 the unencumbered balances of state operations appropriations to executive branch
7 state agencies, other than sum sufficient appropriations and appropriations of
8 federal revenues, an amount equal to \$200,000,000 during the 2007-09 fiscal
9 biennium and ~~\$121,000,000~~ \$67,000,000 during the 2009-11 fiscal biennium. This
10 paragraph shall not apply to appropriations to the Board of Regents of the University
11 of Wisconsin System and to the technical college system board.

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1 **SECTION 2.** 2011 Wisconsin Act 10, section 9219 is repealed.

2 **SECTION 3.** 2011 Wisconsin Act 10, section 9221 (2) is repealed.

3 **SECTION 4.** 2011 Wisconsin Act 10, section 9227 (2) is repealed.

4 **SECTION 5.** 2011 Wisconsin Act 10, section 9230 is repealed.

5 **SECTION 6.** 2011 Wisconsin Act 10, section 9245 is repealed.

6 **SECTION 7.** 2011 Wisconsin Act 10, section 9255 is repealed.

7 **SECTION 9221. Fiscal changes; Health Services.**

8 (1) **MEDICAL ASSISTANCE GENERAL PURPOSE REVENUE.** In the schedule under
9 section 20.005 (3) of the statutes for the appropriation to the department of health
10 services under section 20.435 (4) (b) of the statutes, as affected by the acts of 2011,
11 the dollar amount is increased by \$147,000,000 for the 2010-11 fiscal year for the
12 purposes for which the appropriation is made and to pay capitation payments to care
13 management organizations and other entities that provide services to medical
14 assistance recipients under a managed care system for services provided to
15 individuals enrolled in care management organizations and managed care systems.

16 (2) **MEDICAL ASSISTANCE GENERAL PURPOSE REVENUE DECREASE.** In the schedule
17 under section 20.005 (3) of the statutes for the appropriation to the department of
18 health services under section 20.435 (4) (b) of the statutes, as affected by the acts of
19 2011, the dollar amount is decreased by \$170,000,000 for the 2011-12 fiscal year for
20 the purposes for which the appropriation is made and for capitation payments to care
21 management organizations and other entities that provide services to medical
22 assistance recipients under a managed care system for services provided to
23 individuals enrolled in care management organizations and managed care systems.

24 (3) **COMMUNITY AIDS APPROPRIATION.** In the schedule under section 20.005 (3) of
25 the statutes for the appropriation to the department of health services under section

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1 20.435 (7) (b) of the statutes, as affected by the acts of 2011, the dollar amount is
2 decreased by \$3,100,000 for the second fiscal year of the fiscal biennium in which this
3 subsection takes effect for the purposes for which the appropriation is made.

SECTION 9225. Fiscal changes; Insurance.

4
5 (1) TRANSFER TO INJURED PATIENTS AND FAMILIES COMPENSATION FUND. There is
6 transferred from the general fund to the injured patients and families compensation
7 fund \$235,000,000 by June 30, 2012. Moneys transferred under this subsection shall
8 be used for the purpose of paying the amount ordered by the court in Wisconsin
9 Medical Society, Inc. v. Morgan, 2010 WI 94. If the amount ordered by the court is
10 less than \$235,000,000, the secretary of administration shall transfer the amount
11 ordered by the court.

SECTION 9227. Fiscal changes; Joint Committee on Finance.

12
13 (1) GENERAL PURPOSE REVENUE FUNDS GENERAL PROGRAM SUPPLEMENTATION. In the
14 schedule under section 20.005 (3) of the statutes for the appropriation to the joint
15 committee on finance under section 20.865 (4) (a) of the statutes, as affected by the
16 acts of 2011, the dollar amount is decreased by \$4,590,400 for the second fiscal year
17 of the fiscal biennium in which this subsection takes effect to reduce expenditures
18 for the purpose for which the appropriation is made.

SECTION 9421. Effective dates; Health Services.

19
20 (1) MEDICAL ASSISTANCE GENERAL PURPOSE REVENUE DECREASE. Section 9221 (2)
21 of this act takes effect on the day after publication, or on the 2nd day after publication
22 of the 2011-13 biennial budget act, whichever is later.

23 (END)