State of Wisconsin
Department of Health and Family Services

Jim Doyle, Governor
Kevin R. Hayden, Secretary

January 17, 2008

TO: Senate Committee on Health, Human Services, Insurance and Job Creation
FROM: Katie Plona, DHFS legislative liaison
RE: SB 324 and SB 326

Good morning. I'm Katie Plona, legislative liaison for the Department of Health and Family Services. Senator Erpenbach and committee members, thank you for the opportunity to testify in favor of two bills the Legislative Council Special Committee on Law Revision introduced on the Department's behalf – Senate Bill 324 and Senate Bill 326. The Law Revision committee approved both of these bills unanimously.

SB 324
SB 324 deletes references in statute for one-time grants and appropriations to specific community health centers. These were historical one-time grants and funding to support the continued operation of Milwaukee Immediate Care, which subsequently closed, and to support a one-time expansion at the Isaac Coggs Community Health Center. This draft also deletes reference to a one-time grant to the Mary Mahoney Center in Milwaukee in the 1999-2000 biennium. This home closed in 2000.

The Department would like to remove these statutory references to update the statutes and reduce confusion for the administration of the remaining grants and appropriations for community health centers.

SB 326
SB 326 eliminates the hourly Medicaid reimbursement rate in statute for respiratory care services for ventilator-dependent recipients from nurses in independent care. Under current law, this MA reimbursement rate is the only service for which a specified dollar amount is provided in statute.

Having this rate specified in statute is inconsistent with Medicaid rate setting for all other non-institutional providers, whose rates are not established in statute but are based on a maximum allowable cost schedule that the Department issues. The Department updates these rates based on Legislative approval, which usually occurs during the biennial budget process.

The current statute has not been updated since 1997 and does not reflect three provider rate increases since that time. This language is obsolete and DHFS would like to correct the language so it is not out of compliance with the statutory language.

To be consistent with how other rates are set for non-institutional providers, this statutory provision should be removed. Given that the Department seeks legislative approval for rate alterations, legislative oversight would continue to be maintained.

Committee members, thank you again for the opportunity to testify in favor of SB 324 and SB 326. I'm happy to answer any questions you may have.