

**STATEMENT OF SCOPE**  
**DEPARTMENT OF HEALTH SERVICES**

**Rule No.:** DHS 105.14

**Relating to:** Adult Day Care Centers

**Rule Type:** Permanent

**Type of Statement of Scope :**

Original

**1. Finding/nature of emergency:**

Not applicable.

**2. Detailed description of the objective of the proposed rule:**

The objective is to comply with s. 49.45 (2) (a) 11., Stats., by promulgating a rule to certify Medical Assistance (MA) providers that wish to be reimbursed for adult day care services provided to MA recipients.

**3. Description of the existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:**

Adult day care providers offer services for part of a day, in a group setting, to adults who need an enriched health-supportive or social experience, and who may need assistance with activities of daily living, supervision, or protection. These may include personal care and supervision, meals, medical care, transportation, and activities designed to meet physical, social, and leisure time needs.

Adult day care providers do not need to be licensed or certified to operate in Wisconsin. However, certification as an MA provider is required, under both state (s. 49.45 (47) (b), Stats.) and federal (42 CFR 441.352 (a) (1) and (2)) law, for providers that wish to receive reimbursement by MA for adult day care services provided to MA recipients.

Adult Day Care Centers (ADCC) are either free-standing, or housed in nursing homes or multi-use facilities such as churches, schools, or senior centers. ADCCs provide a necessary link and resource for older adults who either reside in their own homes or come to the center for part of the day from assisted living facilities or other settings. There are currently 124 ADCCs in Wisconsin.

In 1990, the Department articulated interim requirements for ADCCs seeking MA reimbursement. Pursuant to the directive given by the Legislature in s. 49.45 (2) (a) 11. b., Stats., the Department proposes to establish these requirements by rule, in DHS 105.14. There are no reasonable policy alternatives to implementing this statutory requirement.

**4. Detailed explanation of statutory authority for the rule (including the statutory citation and language):**

The Department's authority to promulgate rules is as follows:

Paragraphs 49.45 (47) (a) and (b), Stats, read:

(a) In this subsection, "adult day care center" means an entity that provides services for part of a day in a group setting to adults who need an enriched health-supportive or social experience and who may need assistance with activities of daily living, supervision or protection.

(b) No person may receive reimbursement under s. 46.27 (11) for the provision of services to clients in an adult day care center unless the adult day care center is certified by the department under sub. (2) (a) 11. as a provider of medical assistance.

Subdivision 49.45 (2) (a) 11. Stats., reads:

(a) The department shall:

11. a. Establish criteria for certification of providers of medical assistance and, except as provided in par. (b) 6m. and s. 49.48, and subject to par. (b) 7. and 8., certify providers who meet the criteria.

b. Promulgate rules to implement this subdivision.

**5. Estimate of amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule :**

The Department estimates that approximately 500 hours of staff time will be required to promulgate the proposed rule.

**6. List with description of all entities that may be affected by the proposed rule :**

The proposed rule will affect ADCCs seeking certification as MA providers, as well as individuals receiving care from these entities.

**7. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule :**

There appears to be no existing or proposed federal regulation that addresses the criteria for certification of ADCCs to be established by the proposed rule.

**8. Anticipated economic impact of implementing the rule :**

The proposed rule is anticipated to have little to no economic impact if promulgated.

**Contact Person:**

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**AUTHORIZED SIGNATURES**

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| DHS Division Administrator | Date Approved                        |
| DHS Secretary              | Date Submitted for Governor Approval |

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