



Legislative Fiscal Bureau

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April 7, 2021

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Senate Bill 277: Relating to the Allocation of Federal Funds to Distribute to Nursing Homes and Assisted Living Facilities

Senate Bill 277 was introduced on April 5, 2021, and referred to the Joint Committee on Finance. (The companion bill to SB 277 is Assembly Bill 236.)

SUMMARY OF BILL

Senate Bill 277 would require the Governor to direct \$150.0 million of the funds the state receives under the American Rescue Plan Act of 2021 (ARPA) for the Department of Health Services to distribute to nursing homes, and assisted living facilities that apply to the Department for a one-time payment. The bill specifies that a nursing home or assisted living facility could use these funds for purposes that include capital projects, and for assisting with integration into the statewide health information exchange system.

[The statewide health information exchange, operated by the Wisconsin Statewide Health Information Network (WISHIN), is authorized under Subchapter II of Chapter 153 of the statutes to enable health care providers, including long-term care facilities, to immediately access information on patients who receive care outside of their offices or health systems.]

As a condition of receiving a payment, a nursing home or assisted living facility must ensure that at least 50 percent of the payment received by the nursing home or assisted living facility is used to provide bonus payments to its employees, with an emphasis on providing bonuses to those employees who have direct contact with residents of the nursing home or assisted living facility, subject to any limitations on payments to individuals under ARPA.

For these purposes, the bill defines an "assisted living facility" as a community-based residential facility, an adult family home, or a residential care apartment complex.

FEDERAL STATE FISCAL RECOVERY FUND (SFRF)

The U.S. Department of Treasury has not yet issued guidelines regarding how states may use funding they will receive under the State Fiscal Relief Fund (SFRF). However, based on the purposes specified in the bill, it is likely that one-time allocations to long-term care facilities would be a permissible use of SFRF funds. It is currently estimated that the State of Wisconsin will receive up to \$3.2 billion in direct funding from the SFRF.

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