

Northeast Wisconsin Family Care

CEO Report to the Northeast Wisconsin Community

August 9, 2011

District Development and Processes

- **DHS grant funding continues for NEW FC.** Our current grant funding provided by the Wisconsin Department of Health Services continues. In early March, once Governor Walker proposed his budget which included a pause in the expansion of Family Care, we could no longer plan on a start date of March 1, 2012. Accordingly, we did not make the decisions on development that we had planned on making. This meant that we did not use all the planning funds that we had projected to spend by June 30, 2011. The Department of Health Services has essentially allowed us to continue planning using the funds that they had already authorized. We project that the grant funding will carry us through June 2012 and we expect that the Department of Health Services will be providing further direction to us on their expansion plans prior to June 2012.
- **We are where I expected we would be**—our funding continues but DHS is not in a position to provide any further answers at this time. DHS wants us to continue—if they did not want us to continue, they would have let our funding lapse. DHS staff members have told me that the Senior DHS leadership is in a period of “reflection”. The Senior Leadership is reviewing the current long term care programs and considering any potential policy and design changes these programs including Family Care.
- **We continue to have the opportunity to shape our future and work with DHS on potential changes in Wisconsin’s long term care programs.** DHS senior leadership has identified a few changes they would like to see and have raised some concerns about current programs.
- **DHS senior leadership is taking time to understand current programs.** Secretary Dennis Smith is new to Wisconsin and Deputy Secretary Kitty Rhoades is new in her position. Pris Boroniec, DHS Administrator for Long Term Care, is encouraging Managed Care Organizations to invite Secretary Smith to visit their organization to learn more about Family Care. He visited Southwest Family Care Alliance and I have extended an invitation to visit us in Northeast Wisconsin.
- **Our continued planning requires us to provide DHS on what we continue to work on.** DHS staff has provided us guidance on areas that they want us to work on and we have submitted a revised set of deliverables to DHS. DHS and we will be finalizing these planning deliverables during the next several weeks.
- **DHS staff suggested the following areas to consider in our planning:**
 - Virtual Pace Grant that DHS received to develop several pilots throughout the State beginning July 1, 2012 from the Centers for Medicare and Medicaid (CMS). The intent is to integrate long term care services and medical services.
 - Increase the use of self direction (self determination) by members—have members take greater responsibility for the direction of their care.
 - Expand use of informal supports.
- **Following are the major areas in our planned deliverables:**
 1. Develop a model with a central focus on self determination which would build on the strengths of Family Care, IRIS and other elements that have proven successful elsewhere.

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Our intent would be to look at increasing the use of self determination in the current waiver programs. This would allow us to begin working with an existing program and lay the foundation for Family Care and IRIS and or other managed care programs when they come to our area.

2. Plan for a fully (or virtually) integrated long term care and medical care model.
 3. Pursue DHS commitment to move ahead with Family Care expansion in Northeast Wisconsin. This will require further work in demonstrating the cost effectiveness of the Family Care business model.
- I have requested DHS provide us their plans for Northeast Wisconsin by January 1, 2012 to allow us to focus the energies of everyone to achieve the desired outcomes of DHS and NEW FC.
 - Once DHS has established a timeline for expansion, we would like 12 months lead time before going operational. There will be a great deal of intense work required to prepare for operations. If expansion continues to be deferred until the next biennium, this would mean an operational start date of July 1, 2013. We would need to begin intensely preparing for operations beginning July 1, 2012.
 - Work continues on several of our planned deliverables:
 1. Barb Larson-Herber is taking the lead on self direction. Barb has been talking with a number of individuals on their work with self direction. There is both the need to understand the concepts and probably more importantly is how you make self direction the central focus in your organization.
 2. I have met with three local medical organizations to introduce the concept of an integrated long term care and medical model. Additional meetings are scheduled or planned.
 3. I have been working with the CFO of Southwest Family Care Alliance on a proposal for the Wisconsin Family Care Association to complete an analysis on the cost effectiveness of the Family Care business model. We believe this study would be very useful. Additional, we will be developing some additional analyses specific to NEW FC.

Other

- On Thursday, July 13, Cirdan Health Systems and Consulting presented their report on the historical costs for NEW FC. The Department of Health Services provided NEW FC a data disk for legacy waiver and Medicaid card costs for 2007-2009 for individuals currently receiving legacy waiver services in our region. The legacy waiver cost data comes from the data provided by the counties and tribes while the Medicaid card costs come from DHS. The data disk also contains Long Term Care Functional Screen data for all legacy waiver participants. The databases contained on the disk include de-identified data and claims costs summarized by month of date of service. This means that there is no personally identifiable information on the disks. The scope of the analysis included estimate Family Care equivalent costs by county and tribe, analyze residential rate costs, assess the current DHS capitation model and calculate expected future costs. This information will be used in our continued planning.
- The legacy waiver programs have been renewed providing DHS the flexibility to accommodate the pause in Family Care expansion. CIP 1 and BIW were renewed from January 1, 2009 until December 31, 2013. COP waiver (which includes CIP II, CRI and Diversions) were renewed from January 1, 2010 until December 31, 2014.

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- I will be contacting area legislators to brief them on our status and ask them for their guidance and assistance in furthering our interests.
- I met with the Interim President of the Green Bay Area Chamber of Commerce and shared our current status and asked for assistance in furthering our interests.

Key Messages

- Following are key messages you are welcome to share:
 1. DHS wants us to continue with our planning. Our planning funding continues. DHS does not want us to shut down and have to start all over at a later time.
 2. NEW FC submitted proposed planning grant variables after discussion with DHS on DHS's key interests. Areas of focus in our planning include:
 - Planning for increased self direction
 - Planning for impacting total costs through alignment or integration of long term care services and medical services
 - Demonstrating cost effectiveness
 3. We have invited the Secretary and Deputy Secretary to visit Northeast Wisconsin and are looking forward to meeting with them. No date for an initial visit has been set yet.
 4. DHS is currently reviewing all of the long term care programs and determining what, if any, policy and design changes that they want to make.
 5. The passed State Budget allows the Wisconsin Secretary of Health Services to move on expansion with Family Care if he determines it would be cost effective. Cost effectiveness was determined by the Legislative Joint Finance Committee—which means that Family Care costs would be less than current waiver costs. Our projections indicate that Family Care would be cost effective in Northeast Wisconsin. In May, we provided to the Secretary information on the historic legacy waiver costs compared to Family Care costs.
 6. We requested DHS Leadership let us know by January 1, 2012, their plans for Northeast Wisconsin. However, they may not be in a position to do so by then.

If you have any questions and or need additional information, please feel free to give me a call at 920-857-9854 and/or email me rolf.hanson@new.rr.com.