

CEO Report to the Northeast Wisconsin Community

November 15, 2011

District Development and Processes

- **Margaret Kristan is the new Director of the Office of Family Care Expansion.** I expect that we will be working closely with her in preparation for the expansion of Family Care to Northeast Wisconsin. Pris Boroniec, Administrator for Long Term Care at DHS, said last week that DHS currently has about a 37% vacancy in its staffing. Many long term employees have retired in recent months. She noted that additional review steps have been put in place at DHS for filling open positions.
- **The Department of Health Services shared information with the Wisconsin Council on Long Term Care on November 1 and with the Family Care Managed Care Organizations on November 9 showing that Family Care is more cost effective than the Legacy Waiver programs and IRIS.** The mission of the Long Term Care Council (see www.wcltc.state.wi.us) is to advise the Department of Health Services on the state-wide implementation of Family Care for the elderly and persons with disabilities. The analysis completed by the actuarial firm that DHS uses included long term care costs and the Medicaid Fee for Service medical costs (Medicaid Card) costs for calendar year 2010. Total average costs per member per month (PMPM) for Family Care were \$3,187.62; for IRIS \$4,159.30; and for Legacy Waivers \$3,760.54. The State Budget allows the Secretary of Health Services to move ahead with Family Care expansion if he determines that expansion would be cost effective. DHS staff indicated last week that they need to demonstrate to the Secretary that the savings assumed in the Budget with the cap on expansion would be achieved with expansion in order for the State to move ahead with expansion. The fact that DHS is now acknowledging that Family Care is cost effective is significant. NEW FC had earlier this year concluded that Family Care costs were lower than Legacy Waiver costs based on the actuarial analysis that we had completed. We had shared this information with the Secretary back in May.
- **Menominee County and the Menominee Indian Tribe both have Legacy Waiver programs.** Menominee County is in the process of transferring tribal members over to the Menominee Tribal Legacy Waiver Program. Menominee County would continue to handle non-tribal members. The Menominee Tribe contracts with Menominee County for care management services. Historically, most of the Menominee County Legacy Waiver participants have been tribal members. Wisconsin receives a 100% federal match for the Menominee Tribal Legacy Waiver programs compared to an estimated 60% match for the Menominee County Legacy Waiver program. The Menominee Tribe and the Oneida Tribe are the only two tribes that have Legacy Waiver programs in Wisconsin.
- **DHS has identified a list of Long Term Care Issues that they are continually discussing internally and asking for input.** The list is as follows:
 - Residential
 - Elderly and Assisted Living (AL)
 - Developmental Disabilities and Adult Family Homes/CBRFs
 - Youth in Transition
 - Nursing Facilities (NF)
 - NF/AL Intervention/Diversion
 - ADRCs

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- Vocational Services
- Consumer-Directed Care/IRIS
- Youth in Transition
- Flexibility and Recent CMS Guidance on Use of Services within Waivers
- Capacity Building/Performance Improvement/Coordination Between LTC Settings
 - NFs
 - Mental Health/State Centers (Crisis Response/Community Stabilization)
 - Family Care/IRIS
- Consistency/Level Playing Field Between Programs
- Efficiencies/Program Integrity
- New MCOs
- **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.

Current Areas of Focus

- **The following are areas suggested by DHS staff for us to focus on:**
 - Increase the use of self direction (self determination) by members—have members take greater responsibility for the direction of their care.
 - Total cost management includes long term care costs and all medical costs. The State has received a planning grant from CMS (Centers for Medicare and Medicaid Services) for State Demonstrations to Integrate Care for Dual Eligible's. DHS has been referring their planning grant as the "Virtual Pace Grant." The intent is to integrate long term care services and medical services. The Secretary believes that a fully integrated model will achieve lower costs.
 - Provide information on how expansion of Family Care will be cost effective in Northeast Wisconsin i.e. less expensive than the cost of current programs.
- **The following are our major areas of focus:**
 1. Develop a Family Care option having a central focus on self determination. 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 when they come to this area.
 2. Develop options for managing directly and or indirectly total costs including all long term care and medical costs.
 3. Complete a Return on Investment analysis from a State perspective on Family Care expansion to Northeast Wisconsin. Develop a preliminary cost structure projection for NEW FC going operational.
- **The following are some of the major items of work that we have underway:**
 1. We have scheduled a "Big Learning Event" on Self Determination for November 16th. This will be a day-long event and will include several presentations and small group discussions. Approximately 100 people are signed up to attend including consumers, families, care giver or guardians; providers; DHS leadership and staff; NEW FC Board, County Human Services/Community Programs Directors and Long Term Care Supervisors; legislators; advocates

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and selected other individuals. Please see the Self Direction web page on our web site at www.northeastwisconsinfamilycare.com for related materials on self determination.

2. Several provider organizations are sponsors of the Big Learning Event including ASPIRO, NEW Curative, Homes for Independent Living, My Innovative Services, Visions of NEW, Clarity Care and Cerebral Palsy (CP). Community Care of Central Wisconsin, a Managed Care Organization based in Stevens Point, is a supporting sponsor of the event. Jim Canales, CEO of Community Care of Central Wisconsin will be attending. One of his staff members will be presenting on their focus on self determination.
3. I am researching options for managing total costs which would include all long term care and medical costs. There are approximately 120,000 dual eligible individuals in Wisconsin and I roughly estimate that there are about 40,000-50,000 in Family Care and Legacy Waiver programs. Since Family Care is a partially integrated program and DHS recently shared information that the medical costs in Family Care are lower than IRIS or the Legacy Waiver programs, I have asked DHS for a breakdown of the entire 120,000 individuals to better understand the dual eligible population.
4. I am working on an ROI (Return on Investment) model for Northeast Wisconsin for Family Care expansion from a State perspective.

Key Messages

1. Governor Walker has indicated that he hopes to lift the cap on Family Care expansion during the first year of the current biennium.
2. 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.
3. DHS staff have indicated that they have determined that Family Care is cost effective compared to IRIS and the Legacy Waiver Programs.
4. NEW FC along with several of the region's providers will be holding a "Big Learning Event" on November 16th on Self Determination. Information on the Event is available on the NEW FC website and it is recommended that everyone review the materials that are posted there.
5. We requested DHS Leadership let us know by January 1, 2012, their plans for Northeast Wisconsin.
6. NEW FC continues to work on the areas identified by DHS to focus on which are :
7.
 - 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 in the region

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.