

Northeast Wisconsin Family Care

CEO Report to the Northeast Wisconsin Family Care District Board

December 21, 2011

District Development and Processes

- **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 has indicated 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.
- **We have completed the final drafting of our Planning Grant deliverables in coordination with DHS staff and DHS is completing their final internal review and required administrative procedures.** Our planning grant deliverables focus on self determination, total cost management and financial planning and analysis. In my last conversation with DHS staff on December 7th, we focused primarily on financial planning and analysis for NEW FC as a Managed Care Organization.
- **Pris Boroniec, DHS Administrator for Long Term Care, is developing a “package” of possible changes to Family Care and IRIS to allow expansion to continue and stay within the State Budget.** DHS staff members have indicated that Pris is targeting to have that work completed by the end of December. Pris had solicited recommendations in a variety of forums for changes in Family Care and IRIS. The Wisconsin Family Care Association did provide some recommendations for programmatic and administrative changes.
- **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. I expect that we will not hear by then but within the first quarter.
- **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.
- **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

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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.

Current Areas of Focus

1. 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 which 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 Eligibles. 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.

2. The following are our major areas of focus:

- 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.
- Develop options for managing directly and/or indirectly total costs including all long term care and medical costs.
- Complete a ROI (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.

3. The following is a summary of information on our Big Learning Event:

- We held “The Big Learning Event” on Self Determination November 16th, which I believe was well received based on written and verbal feedback from attendees. Approximately 100 people attended including individuals with long term care needs, their families and/or guardians, providers, DHS staff, NEW FC Board, County Human Services/Community Programs Directors and Long Term Care Supervisors, legislators, advocates and selected other individuals. Please see the Self Direction tab on our web site at www.northeastwisconsinfamilycare.com for materials from The Big Learning Event as well as other related materials on self determination.
- Several provider organizations were 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, was a supporting sponsor of the event and two CCCW staff members presented. Jim Canales, CEO of Community Care of Central Wisconsin also attended.

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- **Following are some general themes based on the notes from the small group discussions and further discussions following the Big Learning Event:**
 - Stakeholder attendees appreciated the opportunity to attend, to receive information, to participate in discussions, and offer observations and recommendations on the development of NEW FC.
 - Attendees would like to see additional forums for receiving more information and for providing input on the development of NEW FC.
 - Attendees would like to see sharing of information to other stakeholders and have opportunities to provide input. There needs to be more grassroots connections.
 - Parents would like to have opportunities to network with other parents to learn from each other, share information on resources and provide support to each other. Parents need assistance in connecting to resources and building community resources.
 - Parents will need support and information on self determination and in moving to greater use of self directed supports.
- **The following are the initial actions steps that we are taking as a result of the Event:**
 - Debbie will be sending out a survey to all attendees requesting feedback on the Big Learning Event and asking you how attendees (stakeholders) would like to continue to provide assistance in shaping NEW FC. We will also be asking stakeholders to identify what existing groups/organizations would be important to reach in increasing community understanding of changes in the long term care system that are coming and provide opportunities helping shape NEW FC.
 - A number of parents are interested in establishing connections with other parents to share what they know, learn from others, connect with community resources and support each other. This should not be limited to just parents but to anyone who is providing support to a person with long term care needs.
 - A number of attendees suggested having regular listening sessions. We will be asking attendees what and when would work best for them and others in the community.
 - We would also like to make best use of electronic means of connecting with people and provide useful information via emails, web page and appropriate social media.

There were some specific questions or issues raised in the Big Learning Event which I will plan on addressing to the extent I can in emails or forums such as overall funding of Family Care.

- **Other major areas of work underway:**
 - The Wisconsin Family Care Association held a meeting on the Virtual Pace Grant on December 2 which I helped plan and facilitate. There are approximately 120,000 dual eligible individuals in Wisconsin and I roughly estimate that about 40,000-50,000 are individuals 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. I shared information that I had developed on Medicare savings that may already have been realized as a result of Family Care. To aid in sharing information among the Managed Care Organizations and within our region, we have posted a number of materials on our web site related to

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Virtual Pace—please see our Virtual Pace tab on our website at www.northeastwisconsinfamilycare.com.

- I am working on developing a projection of NEW FC costs operating as a Managed Care Organization and continue refining a Return on Investment model from a state perspective.
- As part of our continuing working relationships with existing Managed Care Organizations, I provided negotiation training to approximately 125 Lakeland Care District staff at their Fond du Lac and Manitowoc offices. The training was for one half day and a second half day is planned for late February. Lakeland staff will be developing negotiation scenarios to be used in the second training session. Lakeland Care District along with several other MCOs has been assisting NEW FC in our planning. Additionally, Lakeland Care District and Community Care of Central Wisconsin are intending to assist us in training our staff as we gear up to become operational.

Key Messages

Following are key messages you are welcome to share:

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 held 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 hope to learn from DHS early in 2012 on their plans for NEW FC.
6. NEW FC continues to work on the areas identified by DHS to focus on which are :
 - a. ○ 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

This is the CEO report to the Board. I also distribute this to the NEW FC Planning Group which includes County and Tribal Human Service and Community Programs Directors and Long Term Care Supervisors. I will be posting a modified (scaled down version) of this report to the community on our web site also.

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.