

# Northeast Wisconsin Family Care

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## Planning Director Report

September 24, 2010

### District Formation

#### County Resolution Board Actions

- All seven counties have passed the resolution approving establishing the Northeast Wisconsin Family Care District. Brown County passed the resolution on Wednesday September 15<sup>th</sup> and Shawano County passed the resolution on Wednesday September 22<sup>nd</sup>.
- The resolution passed by each of the counties including approval of the three consumer members to the District Board. The three consumer members were recommended to the County Boards by the NEW FC Steering Committee after a process of soliciting nominations and applications from the community including local and state advocacy groups. The Steering Committee made their recommendations after reviewing applications and interviewing candidates. The three consumer members of the NEW FC District Board include Carolyn Barke, Mary Derginer, and Julie Kudick.
- The seven counties have each appointed one member to the NEW FC District Board. Members appointed to the NEW FC District Board by the counties include Carole Andrews – Brown County; Mark Moeller – Door County; Janice Swoboda – Kewaunee County; Guy K. Gooding – Oconto County; Kathy Just – Marinette County; Tony Waupochick – Menominee County; and John Gallagher – Shawano County.
- A second and final resolution will be required in 2011 to approve the District entering into a contract with the State. This would be dependent on NEW FC successfully responding to a State RFP for Family Care and the State issuing a letter of intention to contract with NEW FC. The timing of the RFP is projected for the second quarter of 2011.

#### District Board Meeting Scheduled for October 18, 2010

- The first meeting of the Northeast Wisconsin Family Care District Board is scheduled for Monday October 18, 2010 beginning at 1:00 p.m. in the Classroom at the District office.
- The primary agenda item will be the approval of a resolution to provide notification to the Wisconsin Retirement System by November 15, 2010 that NEW FC intends to begin hiring personnel in 2011. This will allow for continued participation in the Wisconsin Retirement System by any current county employee who becomes employed by the District in 2011.
- Andy Phillips, NEW FC Corporate Counsel, is working with Rolf Hanson in preparing the agenda and the resolution.
- Debbie Peterson will be contacting the County Clerks at each of the seven counties to request that they post the announcement and details of the Board meeting to comply with the Wisconsin Open Meeting Law.
- Debbie and Rolf are preparing a Board of Director Orientation Manual with the intention of distributing it to each board member before the first meeting.

#### Pre-operating Budget

- NEW FC will be providing some supplemental information to DHS in October on planned milestones to measure progress.
- The preoperational budget that was submitted covers July 1, 2010 through February 28, 2012 with operations planned to begin March 1, 2012. Tom Lawless on August 26 indicated that DHS is

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planning on breaking up the funding into at least two time periods with the initial time period looking at the additional funding requested for the remainder of the current fiscal year.

## State Budget

- Funding for expansion of Family Care to all of remaining counties by the end of the 2011-2103 was included in the Department of Health Services 2011-13 biennial budget request submitted to the Department of Administration on September 15, 2010. This would include NEW FC.

## Next Major Milestone

- The next major milestone will be deciding that we are ready to respond to an RFP from DHS for Family Care. We have been reviewing past RFPs and MCO responses to the RFPS and have begun pulling together information and data. We are requesting that all counties and tribes document all meetings with consumers, providers and other stakeholders as well as any materials or information provided to consumers, providers and other stakeholders in other mediums. In responding to the expected RFP, we will want to document all the activities that the agencies, counties and NEW FC have done with stakeholders.
- We are expecting that we will be ready to respond to an RFP sometime during the first quarter of 2011 and would request of DHS that an RFP be issued.
- Significant work needs to be completed before we will be ready to respond to an RFP. The RFP will require a minimum of a three year business plan be submitted. We have received cost and functional screen data for our area and are in the process of analyzing the data. Additionally, we have begun work on assessing current providers and the provider capacity that will be required for Family Care. These are just two of the areas that required significant work.

## Administration

### Office Relocation

- The NEW FC office has been relocated to the first floor from the second floor at the Advance Business Center. The office comes furnished with three work stations and three adjustable offices. The adjustable offices are being used as resource rooms for meetings, document preparation, work rooms and telecommunication meetings.

## Planning and Development

### Care Management

- The Care Management Committee completed its four two-day NEW FC Care Management Orientation for all current care managers and RNs in the counties and tribes. The general feedback provided to Committee members was that the attendees found the meetings valuable. The orientation sessions covered:
  - Waivers vs. Managed Care – what’s different?
  - Role of the Interdisciplinary Team and its Members
  - Grievance and Appeal/Notice of Action
  - Medicare Maximization
  - Self Directed Supports in Family Care
  - Strength based assessments
  - Outcomes
  - Resource Allocation Decision method

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- Work is beginning on flow charting current care management work processes beginning with Brown County. The conceptual framework for this work is based on the premise that “all work is a process.” Family Care will have different work processes than current waiver processes. Additionally, there will be a set of transition processes that county staff (care management, economic support, administrative), ADRC staff and NEW FC will have to complete. Understanding current work processes is important in understanding how things will change. There is likely variation across the 10 agencies in current waiver processes. Transition work processes and Family Care processes will be also flow charted in the coming months.

### **Provider Network Workgroup**

- Established a sub-committee to work on county provider contracts—each county is reviewing their contracts and we’re compiling a spreadsheet.
- Next meeting will be Monday, October 11<sup>th</sup>.

### **Stakeholder Meetings and Activities**

- Rolf met with Beyond Abilities on August 31.
- Rolf met with Oneida representatives on September 8.
- Rolf provided an update of NEW FC to the staff of N.E.W Curative on September 9.
- Rolf had two meetings with union representatives and provided information to the representatives on NEW FC development including the tri-fold brochures that was developed for Care Managers and RNS currently employed by counties. The brochure had been distributed to staff.

### **Human Resources**

- A tri-fold brochure providing initial information was developed for Care Managers and RNs currently employed by the counties. The brochure has been distributed to staff.
- The number of Care Managers and RNs that the District will need is greater than the number currently employed by the counties.
- The District will need to hire a number of people in a number of other areas.
- Rolf met with and will be meeting a number of education institutions to share information on NEW FC. Thus far, he has met with the University of Wisconsin Green Bay (Business School and the School of Social Work), Bellin College of Nursing, the Northeast Wisconsin Technical College and the Bay Area Workforce
- The Wisconsin Association of Family Care has a Human Services Group comprised of the HR directors from each of the MCOs and Rolf will be attending their next quarterly meeting.

<b>State and Industry Information</b>
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### **Wisconsin Family Care Association and DHS**

- On Tuesday September 14, Rolf attended the MCO/DHS Fiscal Work Group in Madison. This group is comprised of financial staff from the MCOs and DHS staff. The main agenda item was the presentation of the 2011 MCO capitation rates.
- On Wednesday September 15, Rolf attended the Wisconsin Family Care Association in the morning in Madison. This group is comprised of the CEOs and or COOs from all of the existing MCOs except for one MCO which is a for-profit company. In the afternoon, this group met with DHS. The major agenda item was the DHS residential rate setting process.

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- Rolf is planning on visiting Community Care, Western Wisconsin Care, Southwest Health Alliance and Northern Bridges during October.

### **DHS Residential Rate Setting Process**

- DHS has been conducting a residential rate setting process during 2010. The objective is to develop a common rate setting methodology across Wisconsin. The impetus for this effort was primarily requests from residential providers and there may have been also some push by CMS. Currently, each MCO has developed its own methodology for negotiating residential rates.
- At the MCO/DHS meeting on September 15, DHS shared fiscal impact information on the proposed methodology. Data included in the analysis included MCO paid claims data, Long Term Care Functional Screen data for Family Care enrollees and cost data provided by providers. No data was included for costs in waiver counties.
- The DHS approach is budget neutral and the initial results indicated there would be a reallocation of payments across providers. The model is based on enrollee acuity. Residential costs were grouped by Adult Family Homes-Owner Occupied, Adult Family Homes-Corporate, CBRF 1-20 Beds, CBRF 21+beds and RCACs. The initial results shared would indicate a reallocation of payments across providers and across the MCOs. It appears that the large provider organizations and trade organizations have been participating in the various forums and providing data but not the owner occupied adult family homes.
- DHS on Thursday September 16 had an open conference call for providers, MCOs and anyone interested and shared the projected fiscal impact of the model.
- Residential costs account for about 50% of the costs for an MCO. The change to a DHS set standard methodology is a very major change for the industry. Other MCOs are currently assessing the potential impact to their costs and the strategies that they have been following especially in the last year.
- No date has been set for the implementation of any changes in the residential rate process.

### **Audit of Family Care**

- On July 14<sup>th</sup>, the Joint Legislative Audit Committee approved moving ahead with an audit of Family Care. The scope of the audit by the Legislative Audit Bureau (LAB) will include meeting with a number of organizations, reviewing financial and other information provided by the State, doing site visits at some of the existing MCOs as well as other activities. LAB will be making site visits to the following MCOs: Milwaukee County, Community Care, Western Wisconsin Care, Lakeland Care and Care Wisconsin.

### **MCO's First Quarter 2010 Financial Performance**

- The nine MCOs reported an aggregate \$1.1 million surplus for Family Care for the first Quarter. This is a significant improvement over the prior year.

If you have any questions and or need additional information, please feel free to give me a call 920-883-6193 and/or email me [rolf.hanson@new.rr.com](mailto:rolf.hanson@new.rr.com).