

Joint Finance Committee Acts on LTC Items

The Legislature's budget-writing Committee continues to act on the Governor's proposed 2015-17 biennium budget bill. This evening, the Republican-controlled Joint Finance Committee (JFC) passed an omnibus long term care motion, with one amendment, on a party-line 12-4 vote (a link to the motion and amendment is posted at: www.leadingagewi.org/media/24552/JFC-LTC-Motion-Amended.pdf).

A brief summary highlighting this five-page motion, as amended, follows:

- Delete all Family Care and IRIS statutory changes sought by the Governor, including the proposal to move to a statewide HMO-operated program (however, see provisions below allowing DHS to implement changes not presently authorized under current law).
- Require DHS to submit a waiver request, with stakeholder input, to the federal government to expand Family Care/IRIS statewide by January 1, 2017 or a later date determined by the Department of Health Services (DHS).
- Require DHS to seek a federal waiver to:
 - Provide Family Care services under an integrated acute, primary and long term care system, including Medicare-funded services to the extent allowed by the federal government, operated by Integrated Health Agencies (IHAs). Require the IHAs to offer a consumer-directed care option.
 - Require DHS to submit a summary of the redesigned plan sought by the waiver request to the JFC for an up-or-down vote (no changes) no later than April 1, 2016.
 - Require there be at least five Family Care regions.
 - If the waiver request is approved by the federal government and the Committee, permit DHS to implement state Family Care/IRIS changes "notwithstanding the current Family Care statutes."
 - Require "any willing provider" provisions to remain in effect for a minimum of three years after implementation within each region (per an amendment to the main motion). This provision ensures DHS could not seek a waiver that immediately suspends "any willing provider" protections for providers.
 - If not approved by the federal government, the current long term care programs would continue.
- Generally maintain the current Aging and Disability and Resource Centers (ADRC) but require DHS to study ADRC operations related to consistency in the use of the functional screen and options counseling, and the potential efficiencies of integrating income maintenance and ADRC entities.
- Increase Medicaid nursing home funding by \$7.6 million all funds for a 1% acuity increase in the second year of the biennium. No acuity increase would be provided in 2015-16.
- Direct DHS to study the Medicaid nursing home labor region methodology and use the study's results to adjust the methodology by July 1, 2016.

- Increase funding for long term care programs for children and provide grants for healthy aging studies and coordination.
- Exempt IMDs and state-only licensed facilities from the nursing home bed tax and increase funding by \$320,300 annually to replace the loss of projected tax receipts.
- Require DHS to develop a policy that specifies procedures for applying for, and receiving approval of, the transfer of available licensed nursing home beds among counties (The amendment to the main motion de-leted provisions that would have requested a Legislative Council study committee on the adequacy of, and issues related to, access to nursing home beds, including the potential cost and quality implications of increasing the number of licensed skilled nursing home beds in Wisconsin). The motion does not authorize an increase in the nursing home bed cap or modify the existing bed moratorium.

A motion to permit the licensure of one “transitional care facility” in Milwaukee County was drafted but never introduced. Although this motion could resurface as part of the “wrap-up” motion on Friday, it is more likely to be introduced as a separate piece of legislation and the target may be broader than just Milwaukee County.

The Joint Finance Committee’s four Democrats offered their own omnibus long term care motion which was predictably defeated on a party-line 4-12 vote. This amendment would have generally maintained current law with respect to the Family Care and IRIS programs (see: www.leadingagewi.org/media/24563/Dem-JFC-Motion.pdf). In addition, and of interest to many LeadingAge Wisconsin nursing home providers, the Democrat’s motion would have:

- Provided \$22.5 million all funds to provide a 1% nursing home acuity increase in each year of the biennium.
- Provided \$45.1 million all funds to increase nursing home provider rates by 2% in each year “to reflect the cost of using revenue of that same amount from the nursing home bed assessment.”

The Joint Finance Committee is expected to complete its budget actions by the end of this week. LeadingAge Wisconsin will provide members updated budget information as it becomes available