June 10, 2021

Karen Timberlake

Interim Secretary

Wisconsin Department of Health Services

1 West Wilson Street, Room 650

Madison, WI 53703

Subject: Proposed Complex Patient Pilot

Dear Secretary Timberlake:

Thank you and your team for meeting with us and several of our members to discuss innovative approaches to complex patient care transitions from acute to post-acute care providers. As you suggested, we have continued those discussions, explored options, and refined our proposal to you.

As you know, Wisconsin’s strong health care system has experienced significant challenges transitioning some patients from acute to post-acute care. This longstanding problem received warranted attention during the pandemic when both patients needing inpatient care and patients ready for discharge but without a post-acute placement strained hospital capacity. The hospitals’ inability to discharge some patients who no longer needed inpatient hospital services (“delayed discharges”) and its impact on facility and staff capacity affected providers’ and the States’ response to Covid. While post-acute providers would have welcomed accepting these patients, the pandemic laid bare two chronic deficiencies within the freestanding post-acute care continuum: A staffing crisis and insufficient financial resources to support the comprehensive care that medically and/or behaviorally complex patients need.Although the pandemic underscored the need to address this issue for public health purposes, tackling the issue also is key to strengthening Wisconsin’s health care system as we prepare for a rapidly aging population that will rely increasingly on acute and post-acute care providers.

Our proposal contains three key components:

* **Funding Request:** We ask the Department to set aside $15 million to fund the Complex Patient Pilot (CPP) initiative.
	+ It is intended that the pilot sites would bill the Fund for the care provided during the course of the CPP. Therefore, while $15 million is the proposed budget ceiling, it is indeed possible that all of the funds allotted would not be used.

* **Creation of a Public/Private Advisory Group (AG) to oversee the CPP**:
	+ The DHS Secretary or his/her designee would chair the AG. AG members should have clinical, financial and/or administrative expertise in government programs, acute care and/or post-acute care.
	+ The AG would be tasked with:
		- Developing a Request for Proposal (RFP) that would address at least these points;
			* Eligibility: Only partnerships of hospitals and nursing facilities would be eligible to submit proposals. A partnership could consist of only one hospital and one nursing facility or more than one of each or both.
			* In the RFP, applicants would need to specifically discuss:
				+ The number of beds that would be set aside in the post-acute facility;
				+ The goals of the partnership program during the pilot and beyond
				+ The types of complex patients that would be cared for;
				+ Expertise to successfully implement the proposal to include a discussion of at least:

Experience of the partners working together;

Plan for staffing the unit;

Ability to electronically exchange health information;

Clinical expertise;

Hospital and post-acute facility survey history over the past three years;

Acute care partner readmissions history over the past three years;

Discharge planning and patient intake resources;

Stability of finances to support the proposal including matching funds that could be dedicated to the CPP. A financial match or contribution from participants would not be required but would be an added plus for any proposal.

* + - * + The per diem rate requested to adequately compensate the hospital (s) and post-acute facility (ies);
				+ A post-acute bed reserve rate: ;
				+ Anticipated impediments to successful implementation and how the applicant intends to overcome them.
		- Determining an amount of money from the $15 million to be reserved for reconciliation to ensure that CPP participants are held harmless from unanticipated financial loss.
		- Developing a methodology to evaluate the CPP. If the AG decides to hire an independent organization to evaluate the CPP, funds from the $15 million fund would be set aside to pay the fee of the independent organization selected.
		- Making recommendation to the DHS Secretary on which partnerships should receive the CPP designations. In developing this proposal, we have heavily relied on the experience and expertise of two existing CPP initiatives: Froedtert Health System/Luther Manor and Gundersen Health System/LaCrosse County Health Services. While these two partnerships would need to formally submit proposals that address the issues set forth in the RFP, we recommend that they be given preference for award of a pilot .
* **Duration:** We propose a 24 month pilot, the timeline to proceed as follows:
	+ Months 1-3: AG is selected and RFP developed;
	+ Months 4-5: RFP issued; Proposals received and reviewed; Up to four pilots sites selected;
	+ Months 6-18: Implementation with the pilots meeting quarterly to discuss their experiences (learning collaborative);
	+ Months 18-24: Evaluation including a written report and recommendations to be submitted to the DHS Secretary.

Once again, thank you and your staff colleagues for taking the time to work with us on the important and longstanding issue of complex patient care transition. Please do not hesitate to contact any of the undersigned if we can answer any questions that you or staff may have. We look forward to receiving your response to our proposal.

Sincerely,