

November 22, 2021

The Honorable Howard Marklein  
Senate Co-Chair  
Joint Committee on Finance  
Room 316 East, State Capitol

The Honorable Mark Born  
Assembly Co-Chair  
Joint Committee on Finance  
Room 308 East, State Capitol

Dear Senator Marklein and Representative Born:

On behalf of our Long-Term Care provider members, we thank you and the Legislature for your historic investment in the Direct Care Workforce. Your investment is desperately needed, and the next round of funding will occur later this month.

We write to you today to ask for your support of the Department of Health Services (DHS's) passive review request for a rate increase for Medicaid home and community-based services (HCBS) providers by 5%. This rate increase is cost neutral to the 2021-23 biennium budget and will help alleviate the severe staffing shortage long-term care providers continue to endure.

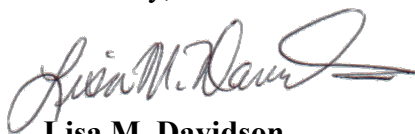
The American Rescue Plan Act (ARPA) includes a provision that provides states an additional 10% on their federal medical assistance percentage (FMAP) for HCBS expenditures claimed between April 2021 and March 2022. Per ARPA, states are required to reinvest the additional 10% in federal funding to support and strengthen HCBS services. As part of a comprehensive plan to invest in HCBS services, Wisconsin's plan for the additional HCBS ARPA funding included a 5% rate increase for HCBS services effective January 1, 2022. As mentioned above, this proposal would be **GPR cost neutral** to the Medicaid budget in the 2021-23 biennium.

Providers have shared with us deep concerns about their ability to continue serving Family Care participants. The long-term care workforce crisis has been worsened during the current employment environment and providers now face the challenge of federally imposed vaccine mandates. For many providers, their future viability is at best uncertain. Our associations have been in contact with DHS to capitalize on the opportunity available under the American Rescue Plan Act (ARPA), to address structural changes in Family Care, with an emphasis on creating sustainable reimbursement to providers.

One of the many components of the HCBS ARPA plan is the passive review request before you today. The 5% increase will build on the investments in the Direct Care Workforce Funding Initiative and provide some relief from the many years of inadequate reimbursement to providers. To maintain our continued commitment to our most vulnerable populations and their quality of life, we ask for your continued support of our long-term care heroes.

Please do not hesitate to contact any of the undersigned if we can answer any questions that you or your staff may have. Thank you for your consideration.

Sincerely,



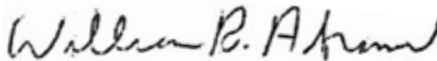
**Lisa M. Davidson**  
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**John Sauer**  
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**Mike Pochowski**  
President & CEO, WALA



**Rick Abrams**  
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