

Family Care Expansion

2015 Senate/Assembly Bill 21, the 2015-17 biennial budget bill, contains what the CEO of one Family Care managed care organization (MCO) calls “arguably the most significant public policy change in the history of Wisconsin’s Long-Term Care service system.”

Because the proposed changes in the budget bill to Family Care are so dramatic and because of the uncertainty of their impact on Family Care enrollees present and future, LeadingAge Wisconsin’s support for the proposed revisions to Family Care cannot be provided unless and until the many unanswered questions members have with these proposed changes are adequately addressed.

Among the key changes to the Family Care program proposed in SB/AB 21 are the following:

- If approved by the federal Centers for Medicare and Medicaid Services (CMS), MCO administration of Family Care would be statewide, rather than by geographic region, effective January 1, 2017.
- Also with CMS approval, the Family Care benefit package would be expanded to include any primary and acute health care services selected by the Department of Health Services (DHS).
- The *Include, Respect, I Self-direct* (IRIS) self-directed care option that is operated currently as part of a federal Medicaid waiver would be eliminated and replaced by a Family Care self-directed care option.
- A Family Care enrollee seeking to change MCOs would have to do so during a DHS-specified open enrollment period, not at any time as is allowed under current law. This change also would require CMS approval.
- The DHS would be given the authority to privatize some/many/all of the functions of the Aging and Disability Resource Centers (ADRC).
- All existing Family Care long-term care districts would be required to dissolve prior to June 30, 2017, or by a date established by the DHS, whichever is later. This provision would end the business of the ContinuUs, Western Wisconsin Cares, Lakeland Care District, and Community Care Connections of Wisconsin Family Care MCOs.

- Oversight of the Family Care program would shift from the DHS to the Office of the Commissioner of Insurance (OCI). MCOs under the new system would be required to be licensed as health maintenance organizations (HMO) and to meet HMO reserve requirements, which one MCO executive said none of the current Family Care MCOs would have the ability to meet. Concerns have been raised that national insurance companies with limited local ties could take over the administration of the Family Care program under the proposal.
- Section 1597 of the budget bill would repeal the Family Care “any willing provider” or “return to home” provision which has been on the books since 2007. Under current law, a Family Care MCO is required to contract with any provider if that provider agrees to accept the reimbursement rate the MCO offers similar providers for the same service and satisfies any applicable quality of care, utilization, or other criteria the MCO requires of other providers when contracting for the same service.
LeadingAge Wisconsin supports maintaining the “any willing provider” provision in current law and urge the deletion of Section 1597 of SB/AB 21.

Nursing home providers have supported the integration of acute, primary, and long-term care services as far back as 1997 and conceptually, the Family Care changes proposed in 2015 SB/AB 21 are not inconsistent with that position.

However, 43% of those responding to a recent survey conducted by the Long-Term Care Provider Coalition described the contract negotiations with their current Wisconsin-based MCOs as a “take it or leave it” non-negotiation. One of the many questions raised by providers now is whether contract and rate negotiations with a national insurance company would be any less fruitful.

The Family Care provisions in the 2015-17 budget bill had no stakeholder input. It is difficult to obtain definitive answers to the myriad of Family Care-related questions members have posed. The bill also provides the DHS and OCI with almost unfettered authority with no apparent legislative oversight.

Before LeadingAge Wisconsin can feel comfortable in offering its support for these transformational provisions, those myriad of Family Care-related questions need to be addressed. For instance:

- Does this legislation seek to access Medicare funds as a way to offset Medicaid expenditures and save Medicaid dollars?
- Medicaid recipients currently have the option of receiving nursing home services under Family Care or the fee-for-service system. Will that option remain long term under the proposed revisions to Family Care?
- The current Family Care Partnership program already integrates acute, primary and long-term care. Why reinvent the wheel? If integration of services is the goal, why not expand statewide the current Family Care Partnership program, which is administered by Wisconsin-based MCOs?

- What will happen to the four MCOs that under the bill will go out of business? How will their operations change, if any, between passage of the budget and their closure date? What will the impact be to the local economy when these entities close up shop?
- By the same token, will any of the current MCOs be in business after January 1, 2017? What is the plan to transition into this new system? How will that plan ensure seamless care of Family Care enrollees?
- How will the dual DHS/OCI authority of Family Care work and what assurances are there that it will work well?
- What acute and primary health care services does the DHS intend to include in the Family Care benefit (assuming CMS approval)? What ADRC functions will the DHS seek to privatize?
- Will those seeking to implement the Family Care self-directed care option be able to continue to hire family members, as they can currently under IRIS?
- Why is it preferable to enable national companies to administer Family Care rather than locally-based MCOs? Keep in mind this question comes from providers who have had plenty of run-ins over the years with their MCOs.

These are just a few of the questions providers and consumers need answered before they can give an informed opinion on the changes proposed for Family Care. Until they are answered, it's difficult to envision outright support for these changes. This might be one of those issues that at this moment "just isn't ready for prime time."