The Wisconsin Long-Term Care Coalition
Keep Our Care at Home

5/15/15

To: Sen. Alberta Darling and Rep. John Nygren, Co-Chairs, and Members, Joint Finance Committee

From: Wisconsin Long Term Care Coalition

Subject: Concerns regarding 5/14/15 Announcement, "JFC Republicans Protect Long Term Care"

We are encouraged by the announcement from Senators Darling and Vukmir, and Representatives Nygren and Knudson, of their intention to ask the Joint Finance Committee to remove Gov. Walker's proposed changes to long term care (LTC) from the budget, and to direct DHS to develop a new plan. We assume this means that all of the governor's proposed statutory language changes will be removed from the budget. We consider this a big step in the right direction, and a positive indication that the legislature has heard the views of people receiving long term care, their families, advocates and other stakeholders. We are strongly supportive of the requirement of "public and stakeholder input before any changes are made", which was distinctly absent during the ramp-up to the governor's proposal. (To operationalize that, we suggest that JFC ask DHS to submit a public input plan for JFC passive review.) We also support the requirement of prior JFC approval before waiver applications are submitted to the federal government.

However, we are concerned that the announcement does not clearly protect the current high quality, cost effective LTC models in place, which have led to Wisconsin's high ranking nationally among state LTC systems. In fact, the announcement appears to keep alive some of the most detrimental elements of the governor's plan. The most important message from the public and stakeholders during this budget has been, "The current system was developed with lots of input from us, it's working, and it has saved a lot of money since it began." So we believe the plan for the future should involve stakeholders at the beginning (not after certain LTC models have been ruled in or out), and that it should build on the existing successful models of Family Care, IRIS, ADRCs and Partnership.

Our Specific Concerns regarding certain items in the Announcement

1. "*Require self-directed care with budget authority, to be defined in statute.*" We agree that self-directed care should be defined in statute, but on behalf of the 12,000 people who are currently enrolled in IRIS, we believe that the motion should clearly direct DHS to maintain IRIS as a separate Medicaid waiver program. This is the thrust of a petition with over 6000 signatures which will be delivered to the legislature next week. IRIS is <u>not</u> managed care, and it can't be rolled into a managed care model without fundamentally undermining the essential features of full self direction.

2. "*Require a regional model with multiple Integrated Health Agencies (IHA) per region.*" Putting forward a new unknown LTC model at this late stage of the budget is problematic in several ways:

> -This will lead to a situation in which the only choice for people in LTC will be between two IHAs. That would require everyone to enroll in an integrated model, regardless of whether it will benefit them or save any money. So people will lose their current physician, often for no good reason.

-Federal Medicare Law prohibits states from forcing Medicare eligible people (70% of people in WI's LTC system) to enroll in an integrated model, so forced enrollment in an IHA cannot include the integration of Medicare funded services. The IHA model is also an untested model in Wisconsin. It may or may not produce high quality, cost effective care.

-We should not predetermine that IHA is the model for the future of our LTC system without having public and stakeholder input in that very important decision, exploring other possible models, and starting up with a small regional pilot to see if it works.

-There is no mention of the Partnership integrated model, which already exists in Wisconsin and allows dually eligible people (on Medicaid and Medicare) to voluntarily elect an integrated model.

-There is no mention in the announcement of the existing 8 homegrown Wisconsin MCOs. We believe the plan for the future should include a path for sustainability for all of these MCOs, especially if they are meeting all of DHS' requirements.

3. "*Require the acceptance of 'any willing provider' for a multi-year transition*." The requirement that every MCO must include "any willing provider" in their provider network is essential to ensure consumer choice, which is already limited in some service categories and parts of the state. Given that any provider must agree to the MCO's reimbursement rates, contractual requirements, and monitoring procedures, we believe this should be a permanent feature of Wisconsin's LTC system. None of the current MCOs object to this requirement.

4. "*Preserve ADRC Services.*" This isn't clear; it leaves open the possibility of "preserving services" while fragmenting ADRC services (by contracting some services out of county), or even eliminating ADRCs (by removing so much of their funding that they are no longer fiscally viable). Over 50 county boards have passed formal resolutions in the last two months in support of preserving locally-based, county-operated and staffed ADRCs with all the ADRC services provided by these staff. This "One Stop Shop" (the opposite of fragmented) model was pioneered in Wisconsin and it has been nationally recognized for excellence. We encourage the committee to be more explicit in protecting the current ADRC model.

Our Request

We ask the committee to retain the commitment to require DHS to have public and stakeholder input, and the JFC prior approval requirement, as stated in the announcement. But we also ask the committee to set a clear example of truly valuing public and stakeholder input by:

a) involving stakeholders in all of the important decisions (including the decisions which appear to have already been made in the announcement, such as the choice of the IHA model and the decision to phase out the "any willing provider" requirement), and

b) acknowledging the massive stakeholder input from the last 3 months in which constituents have asked the legislature to protect and preserve the things that are working in the current system, i.e. a separate IRIS Medicaid waiver program, a regional system that provides a sustainable path for existing regional homegrown managed care organizations which are meeting DHS requirements, locally-based county-run ADRCs performing all the functions of an ADRC, and the existing Partnership integrated model.

Thank you for considering our views and the views of people receiving LTC services and their families.
Contact: Lynn Breedlove 608-577-0468 or Tom Frazier 608-770-0605
cc: Members, Wisconsin Senate and Assembly

The Wisconsin Long-Term Care Coalition
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State Long Term Care Programs Continue to Save Wisconsin Taxpayers
Legislative Fiscal Bureau Shows $23 Million Reduction in this Biennium

FOR IMMEDIATE RELEASE
May 20, 2015
Contact: Tom Frazier (608.770.0605) or Lynn Breedlove (608.577.0468)

A non-partisan Legislative Fiscal Bureau (LFB) paper published Monday shows that while general Medicaid costs continue to grow, projected spending on Family Care and IRIS is actually decreasing.

According to LFB, the amount of funding needed to support Family Care and IRIS has declined by $23 million since the state budget's introduction. These savings are not the result of the major changes proposed to long-term care in the 2015-17 state budget but rather "reflect changes in actual and projected program costs under current law."

"The latest estimates provided by LFB confirm what advocates have been saying for months, Family Care and IRIS are already incredibly cost-effective programs," said Lynn Breedlove of the Wisconsin Long-term Care Coalition. "This is further proof that the proposed overhaul of our long-term care system was a solution in search of a problem that doesn't exist."

Family Care and IRIS have produced, and will continue to produce, significant savings for Wisconsin taxpayers while providing quality care to individuals with disabilities and frail elders:

- Medicaid spending on long-term care decreased from 53% of total spending in SFY 02 to 43% in SFY 11.

- Medicaid spending on institutions, such as nursinghomes, declined from 62% of long-term care spending in SFY 02 to 31% in SFY 12, saving taxpayers approximately $300 million/year.

- Annually, Family Care saves Wisconsin taxpayers approximately $400 million/year compared to the Waivers/Fee-for-Service Medicaid program.

"Our current long-term care system is ranked as one of the best in the country by AARP, the SCAN Foundation and the Commonwealth Fund, and it has been proven, time and time again, to be incredibly cost-effective," said Tom Frazier of the Wisconsin Long-term Care Coalition. "We are glad the Joint Finance Committee has committed to removing the changes to the long-term care system from the budget. Any future changes to long-term care should build off of our current, successful system."

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