



Survival Coalition

of Wisconsin Disability Organizations

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2011-2013 Legislative Budget and Priorities

Family Care and Aging and Disability Resource Centers

Family Care (FC) is the Medicaid managed care program which is now the primary source of state/federal funded long term care for low-income elders and adults with physical or developmental disabilities in Wisconsin. Aging and Disability Resource Centers (ADRCs) are the one-stop source of information, referral, benefits counseling and eligibility determination for anyone in Wisconsin with questions about long term care.

Survival Recommendations:

- Complete the FC & ADRC expansion that was included in the 2009-2011 budget.
- Complete the elimination of waiting lists in the counties that have recently begun FC operations.
- Include plans to make FC and ADRCs available statewide by June, 2013 in the 2011 – 2013 budgets. DHS should continue to make efforts to work with each start-up county to resolve any concerns they may have regarding FC.
- Review the analysis and recommendations from the LAB audit from any of FC, and
- revise the 2011– 013 budget proposal accordingly. Exempt FC from any spending cuts until LAB reports on the adequacy of current funding levels.

Background: Family Care (FC) has made substantial progress toward Long Term Care (LTC) Reform in Wisconsin.

- LTC Reform Planning began in the 1990's and involved a wide variety of stakeholders: counties, providers, consumers, advocates and officials on Governor Thompson's administration. The culmination of that planning was Gov. Thompson's introduction of FC in the 1999-2001 budget, resulting in the first 5 Family Care pilot counties and the elimination of LTC waiting lists in those counties.
- DHS and Legislative Fiscal Bureau have now documented savings in LTC spending in the pilot counties (the annual cost for FC members averages less than for comparable nursing home residents). FC has also resulted in an unprecedented level of federal funding for community-based LTC services coming into Wisconsin.
- Gov. Doyle embraced Gov. Thompson's idea and announced statewide expansion of FC as a goal of his administration. The Legislature added additional funding to Gov. Doyle's 2007-2009 biennial budget expansion proposal, added a FC ombudsman program, and adopted the

revised proposal with strong bipartisan support (the vote on the FC omnibus motion in the Joint Finance Committee was 15 – 1).

- Aging and disability organizations, MCOs, providers, and consumers continue to believe in the original values and vision of Family Care: cost effectiveness, living and working in the most integrated setting, consumer choice, an outcome-based approach to quality, and a right to service without waiting.
- By the end of the 2009-2011 biennium, FC and IRIS* will have begun operations in 57 counties, with a projected 42,000 members. Waiting lists for essential LTC services are much lower now than they would be without FC. According to annual member satisfaction surveys, the majority of members are satisfied with their services. FC is therefore well beyond a “pilot program”, and statewide implementation is within reach. Besides providing essential services to such a large number of people, FC has also created a large number of new jobs in Wisconsin.
- ADRCs are now operational in 57 counties. In 2009, they completed eligibility determinations for 12,818 individuals entering the LTC system. They have also provided benefits counseling, information and referral, and other assistance to a much
- larger number of people (308,523 contacts in 2009). Consumer satisfaction from individuals and families who have used ADRCs is very high, as expressed in surveys and constituent feedback to legislators.

Benefits of continued expansion of FC & ADRCs

- Eliminate waiting lists for basic LTC services for all FC-eligible persons.
- Provide timely and accurate information and assistance via ADRCs for consumers and families on a wide variety of LTC and benefits issues.
- Continue to increase the level of federal Medicaid matching funds coming into Wisconsin.
- Continue to create new jobs in managed care organizations and provider agencies in every FC county.
- Continue to reduce institution utilization by ensuring that people are not admitted to
- institutions because they cannot obtain the home or community care they prefer.

Questions & Concerns about Family Care can be resolved.

- Consumers, advocates and providers have raised a variety of concerns with DHS and the legislature regarding FC. These concerns include:
 - service reductions for some people coming into FC from COP or CIP
 - sufficiency of MCO reimbursement and annual inflationary adjustments for providers, particularly for residential service providers
 - low numbers of FC members in integrated employment & individualized (not congregate) housing
 - inadequate mental health services (a problem which existed prior to FC implementation)
 - questions regarding the FC capitated rate-setting mechanism, particularly in regard to the adequacy of funding for members with developmental disabilities
 - the large proportion of direct care workers earning less than a “living wage” and receiving no health insurance

Many or all of these concerns will likely be addressed in the upcoming audit of FC being conducted by the Legislative Audit Bureau (LAB).

- Quality Assurance in FC is based on member outcomes, which most stakeholders agree is a superior model to past approaches. Advocates and FC members have raised concerns regarding the proportion of members who have not experienced their chosen outcomes. DHS has completed the design and validity testing on PEONIES, a promising approach to measuring member outcomes. An independent contractor will begin PEONIES interviews of FC members in 2011. The results of these interviews can help to guide future quality assurance efforts. It is important that this approach is adequately funded to ensure an adequate sampling of FC members.
- It is expected that LAB's audit of FC will include important recommendations for the Walker administration to strengthen FC over the next biennium. MCOs, providers, and advocates welcome the opportunity to work with DHS on these improvements.

* IRIS is an alternative LTC program (which allows participants to self direct their services) that is available in every FC county.

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