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Disability Organizations Stunned by Legislature's Decision to Freeze Funding for Community Long-Term Care: More People Headed to Nursing Homes and Waiting Lists

On Tuesday the Joint Finance Committee voted to freeze all long-term care programs in Wisconsin, impacting thousands of seniors and people with disabilities. In taking this action, the committee ignored the calls, e-mails, petitions and personal stories of countless Wisconsin residents. In addition to denying the needs of over 9,000 adults on Family Care and IRIS waiting lists and more than 3,000 children on Children's Waiver waiting lists, this decision signals a total loss of momentum in the state's 15-year effort to reform the long-term care system.

Although we appreciate the committee's modest gesture to allocate \$5 million annually in state funds for Family Care services to individuals in urgent need of long-term care services, this will only serve 400 people per year. Based on the thousands of adults and children currently on wait lists and a possible doubling of wait lists during the two-year freeze, this allocation will not provide much relief.

Advocates predict the new funds will not even support the total number of individuals estimated to be forced into nursing homes over the biennium as a result of the freeze. The state assumes that 5% of prospective Family Care enrollees, without access to community care, will be forced into nursing homes between now and June, 2013—an estimated 484 individuals at a total cost of over \$30 million. Advocates believe these projections are low—Milwaukee County predicts that 300 people in that county alone will be forced into nursing homes each year. Although it did not commit any additional funding, the Committee endorsed a proposal to add flexibility to the budget bill – allowing some individuals relocating from a nursing home to enroll in community long-term care.

Advocates had hoped legislators would prioritize community long-term care, like many previous legislatures have for decades, and choose to commit a minimum of 10 percent of the \$636 million in newly projected state revenues to stop the growth of wait lists. Unfortunately a motion to do that failed on a party line vote of 12-4.

The Committee's decision to freeze all long-term care programs, except nursing homes, will seriously undermine the cost effectiveness of the state's long-term care system. The only entitlement the committee left intact is a right to live in an institution. The average cost of Family Care is \$2,800 per month versus the average nursing home cost of \$4,000. Costs in other institutional settings range from \$16,500 to \$40,920 a month. Now Wisconsin's average cost of

long-term care will climb back up in national rankings, reversing the trend of the last decade that saved taxpayer dollars.

In another Medicaid-related vote, the Committee took the advice of advocates and people with disabilities and is requiring some transparency in the Medicaid decision-making process as the Department of Health Services finds \$500 million in savings. DHS will be required to submit quarterly reports to the Committee that contain descriptions of any MA program changes implemented by the Department, updated estimates of the projected savings associated with those changes; and updated projections of total MA benefit expenditures during the biennium. DHS must also submit any federal Medicaid waiver or state plan amendment requests to the committee in a passive review process. This does not guarantee a Committee vote on any proposed DHS change.

Read a full report on Wisconsin Community Long-Term Care here:

<u>Keeping the Community Promise – Lifting the Cap on Long-Term Care in Wisconsin.</u> <u>http://www.disabilityrightswi.org/wp-content/uploads/2011/05/Keeping-the-Community-Promise.pdf</u>

The Survival Coalition is comprised of over 40 statewide groups representing people with all disabilities and all ages, their family members, advocates and providers of disability services. For over 20 years Survival has been at the forefront of promoting cost effective, community-based services and supports for people with disabilities.

## For Further Information Contact Survival Coalition Co-Chairs:

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