Governor's Proposal	Joint Finance motion #513
Require Statewide provision of services *Directed DHS to request a waiver allowing for statewide administration of the Family Care program, unless DHS waives this requirement for a specific MCO. Upon waiver approval, requires DHS to make the Family Care program available statewide by January 1, 2017, or a date determined by the Department, whichever is later.* *Item 1 of the LFB Summary of Governor's budget recommendations (page 212)*	**Require Regional Integrated Health Agencies (IHA)** *Directs DHS to request a waiver modifying the current Family Care waiver establishing IHAs, makes new geographic service regions to replace the ones currently used by MCOs, specifies at least five regions must be created, and requires multiple IHAs must operate in each region.* **Analysis:** This provision may result in similar challenges that were identified as concerns with the Governor's proposal such as: for profit entities being chosen to provide Family Care, inability of all current MCOs to stay in business if new risk reserve requirements are part of the IHA licensing/certification, and the likelihood that individuals will be forced to change their current Managed Care Organizations due to changes to the geographic service regions If Waiver is not approved by CMS, Family Care and IRIS remain as currently operated.
Office of the Commissioner of Insurance requirements *Require all Managed Care Organizations (MCOs) to be licensed and regulated by the Office of Commissioner on Insurance in order to receive a contract to operate Wisconsin's publically funded long-term care programs. This change would means that a private, for-profit insurance company could operate public long term care programs.* *Item 1 of the LFB Summary of Governor's budget recommendations (page 213)*	**Office of the Commissioner of Insurance requirements** *The motion is silent on this specific provision. Statutory changes to OCI requirements are among the provisions in Item 1 of the LFB Summary of Governor's budget recommendations that the motion deletes. The motion removes these statutory changes as proposed by the Governor, but does not prevent these changes from occurring in the future upon CMS approval of required waiver amendment and JFC approval. The motion would continue current law until a federal waiver is approved.*
Eliminate Long Term Care Districts *Require long-term care districts existing on June 30, 2015, to be dissolved before June 30, 2017, or before a date established by DHS, whichever is later. Prohibit any new long-term care districts from being created after June 30, 2015. Remove all statutory language regarding and references to long-term care districts, effective July 1, 2018.* *Item 1 of the LFB Summary of Governor's budget recommendations (page 215)*	**Retains Long Term Care Districts and gives current districts authority to operate as IHAs** *Specifies that long term care districts are permitted to operate as a health maintenance organization. The motion removes statutory changes to Long Term Care Districts as proposed in the Governor's budget. The motion removes statutory changes related to long-term care districts as proposed by the Governor, but does not prevent these change from occurring in the future upon CMS approval of required waiver amendment and JFC approval. The motion would continue current law until a federal waiver is*

	approved. **Analysis:** This provision provides a pathway for long-term care district MCOs (Western Wisconsin Care, Community Care Connections of Wisconsin, ContinuUs and Lakeland Care District) to operate as IHAs so long as they can meet the licensing, certification or other criteria that will be established for IHAs. (See also analysis of IHAs).
Eliminates Long Term Care Advisory Committees *Repeal regional long-term care advisory committees. Remove all statutory references to regional long-term care advisory committees.* *Item 1 of the LFB Summary of Governor's budget recommendations (page 215)*	**Retain Long Term Care Advisory Committees and adds to statutory responsibilities** *Retains Long Term Care advisory committees and requires, in addition to current statutory responsibilities, committees provide for review and assessment of the self-directed services option.* *The motion removes these statutory changes as proposed by the Governor, but does not preclude these change occurring in the future upon CMS approval of required waiver amendment and JFC approval.*
Adds primary and acute health care services to family care benefit *Require DHS to request a waiver allowing for the inclusion of any primary and acute health services mandated under federal Medicaid law, such as physicians' services, inpatient hospital services, and skilled nursing home services, that the Department chooses to offer as a benefit under the Family Care program. If approved by HHS [federal Department of Health and Human Services], allow DHS to offer the approved services under the Family Care program.* *Item 1 of the LFB Summary of Governor's budget recommendations (page 212)*	**Adds primary and acute health care services to family care benefit** *Require DHS to request a waiver with a specification that Medicaid funded Long Term Care consumers receive both long-term care and acute care services, including Medicare-funded services to the extent allowable by CMS< from Integrated Health Agencies.* **Analysis:** According to LFB, 83% of Family Care participants and 61% of IRIS participants are dually eligible for Medicare and Medicaid. Federal law prohibits Medicare recipients from being required to receive services under managed care. It appears that the dually eligible or Medicare eligible population does not have to opt in to managed care services provided by an IHA. The motion would require Medicaid participants to receive health care and long term care through managed care. Therefore, the motion cannot require mandatory enrollment into the new managed care system for the vast majority of current participants (Medicare and dual eligible). It is unclear what options the Medicare and dual eligible populations will have and whether there will be enough Medicaid long term care participants to support primary and acute care services in the IHAs.

Eliminate IRIS program	Self-Directed services folded under Integrated Health Agency management
Eliminate the IRIS (Include, Respect, I Self-Direct) program. Require DHS to allow Family Care enrollees to self-direct services. Remove statutory references to IRIS program services offered to individuals receiving post-secondary education on the grounds of an institution, and replace with references to the self-directed Family Care program. Remove all other statutory references to IRIS. *Item 1 of the LFB Summary of Governor's budget recommendations (page 213)*	*Requires IHAs make available a consumer directed option under the long-term care program. Requires IHAs to assist individuals in developing individualized support and service plans, ensure all services are paid according to the plan, assists enrollees in managing all fiscal requirements. Requires IHAs to allow self-directed enrollees to select, direct, and/or employ persons offering any of the services currently available under the IRIS program, and the ability to manage—using the services of an IHA serving as a fiscal intermediary—an individual home and community based services budget allowance based on a functional assessment performed by a qualified entity and the availability of family and other caregivers who can help provide needed support* **Analysis:** The motion directs DHS to request a modification of the Family Care waiver, and include self-directed services as a component within the revised Family Care waiver. Currently, the IRIS program is outlined in a separate IRIS waiver. The motion is silent on the elimination of the IRIS waiver however, the motion clearly requires DHS to submit a request for changes to the state's current waiver under which Family Care and IRIS operates, and only references Family Care in the context of long term care expansion. The directive clearly states that IHAs are to administer a self-directed option that is IRIS-like. Upon approval of a revised Family Care waiver and expiration or future elimination of the current IRIS waiver, it appears self-direction will be administered under the managed care umbrella. The motion directs IHAs to administer the fiscal component (currently done by I-life) and programmatic component (currently done by TMG) of the current IRIS program. According to the LFB, 17% of current IRIS funds are not fully spent from participants' monthly allocations; currently unspent funds are returned to the state's MA Budget. The motion is silent on how these savings would be handled. It is unclear whether any unspent funds would be returned to the state or kept by the IHA. CMS requires the use of an Interdisciplinary Team within managed care programs. Therefore, the participants who choose the self-directed option within Family Care will be required to use an I-Team, which eliminates true self direction. Currently not all services in Family Care, such as residential services, are available for self direction,. Therefore, this would not be comparable to IRIS.

Replacement of legacy waiver programs with Family Care *Allow DHS to eliminate the community integration program (CIP), the community opportunities and recovery program (CORP), and the community options program (COP) after the Family Care program is offered to all eligible residents in a county. (The Governor's budget made Family Care available statewide by January 1, 2017)* *Item 1 of the LFB Summary of Governor's budget recommendations (page 212)*	**Replacement of legacy waiver programs with Family Care** *Requires DHS's waiver request provide for expansion of Family Care statewide. Upon approval of the waiver, requires DHS to make the Family Care program available statewide by January 1, 2017 or a date determined by DHS, whichever is later. Upon CMS approval of the waiver, DHS can eliminate the community integration program (CIP), the community opportunities and recovery program (CORP), and the community options program (COP) after the Family Care program is offered to all eligible residents in a county.* *The Family Care program that will replace the legacy county programs will be the revised Family Care benefit outlined in the motion, not the current Family Care we know today.*
Removal of "any willing provider" language *Eliminate the requirement that, as a term of a contract with an MCO, an MCO must contract for the provision of services covered under the Family Care benefit with any community-based residential facility, residential care apartment complex, nursing home, intermediate care facility for the intellectually disabled, community rehabilitation program, home health agency, provider of day services, or provider of personal care that agrees to accept the reimbursement rate that the MCO pays under contract to similar providers for the same service and that satisfies any applicable quality of care, utilization, or other criteria that the MCO requires of other providers with which it contracts to provide the same service.* *Item 1 of the LFB Summary of Governor's budget recommendations (page 214)*	**Maintenance of "any willing provider" language for a defined timeframe** *Requires DHS waiver request to preserve the current "any willing provider" language" requirement for long term care providers for a minimum of three years after the implementation date of the new Family Care program in each new region.* *The motion removes these statutory changes as proposed by the Governor, but does not prevent these changes from occurring in the future after the three year period post implementation has expired.*
Flexibility to change elements of Family Care waiver *Directs DHS to request approvals or submit waiver requests to the Centers for Medicaid Services for permission to amend Wisconsin's long-term care programs as proposed in this bill. Specifies required elements that must be submitted in a waiver request, but does not preclude DHS from requesting*	**Flexibility to change elements of Family Care waiver and requires Concept Plan submission to JFC** *The motion directs DHS to submit a waiver request that includes an itemized list of components (including statewide expansion of Family Care, establishment of regional IHAs, movement of self-direction under IHA*

additional waiver changes not specified by the Governor—such as service types, service levels, and administration of programs.	*managed care, etc.). The motion is silent on any limitations or elements that DHS may not include in its waiver request. The motion does not prevent DHS from making additional modifications, insertions, or deletions to the Family Care waiver such as revising service types, service levels, or administrative policies associated with program operation.* *Any state plan or waiver requests are required to be "substantially consistent with the initial waiver request," although the term "substantially consistent" is open to interpretation.* *The motion does not specify any legislative oversight over specific elements of the waiver or revised state plan. The motion does require DHS to submit a concept plan on proposed waiver or state plan revisions to JFC by April 1, 2016. However, JFC review is limited to full approval or disapproval of the concept plan; JFC does not have the ability to modify specific elements of the plan. The motion does not require DHS to submit the final waiver to JFC for review or modification nor require periodic updates on waiver/state plan revisions to this or any other legislative committee.*
Limits on administrative costs and profit caps *Under DHS's current contract with MCOs, MCOs are limited to a profit margin of 2%. Current MCOs administrative costs for Family Care are 4.6%. The Governor's budget is silent on whether the administrative cost allowances and profit margins currently in contract will remain, increase or be lifted.*	**Limits on administrative costs and profit caps** *The motion is silent on whether the administrative cost allowances and profit margins currently in contract will remain, increase, or be lifted.*
Contract functions currently done by Aging and Disability Resource Centers to private entities *Permits DHS to contract with entities other than aging and disability resource centers (ADRCs) to perform the duties of ADRCs. Permit DHS to specify in a contract with an ADRC or agency acting as an ADRC that the entity provide any of services or functions itemized in this section of the statutes. Remove ADRC governing boards.*	**Removes changes to ADRC services, preserves governing boards, requires additional studies** *The motion retains the services and functions itemized in the statutes that are currently charged to ADRCs. The motion restores ADRC governing boards. The motion requires DHS to evaluate the functional screen and options counseling for reliability and consistency among ADRCs and report back to the legislature; requires DHS to assess which ADRC governing board responsibilities may be duplicative with current DHS procedures and*

Item 1 of the LFB Summary of Governor's budget recommendations (page 214 and 215)	*propose statutory changes to remove duplication to JFC; and requires DHS to study the integration of income maintenance consortia and ADRCs and report back to JFC.* *The motion retains the ADRC services, but does not specify these services must continue to be conducted by ADRCs.*
Removes Legislative Joint Finance Committee oversight over DHS Family Care Contracts *Remove the statutory requirement that the Department submit proposals for Family Care expansion to the Joint Committee on Finance (JFC) for approval. Under current law, DHS awards a contract to one MCO to provide services in a geographic service region of the state, based on a competitive, sealed procurement process. DHS may only enter into the proposed contract if JFC approves the contract.* *Item 1 of the LFB Summary of Governor's budget recommendations (page 212)*	**Removes this provision of the Governor's proposal** *The motion is silent on this specific provision. Statutory changes to JFC oversight on Family Care Contracts are among the provisions in Item 1 of the LFB Summary of Governor's budget recommendations that the motion deletes.* *The motion removes these statutory changes as proposed by the Governor, but does not preclude these change occurring in the future upon CMS approval of required waiver amendment and JFC approval. The motion would continue current law until a federal waiver is approved.*
Removes requirement for competitive bids for contracts *Require DHS to request a federal waiver allowing for the elimination of the competitive procurement process for MCOs, and, if approved, to contract for the statewide provision of services with any MCO that meets the statutory requirements for providing services.* *Item 1 of the LFB Summary of Governor's budget recommendations (page 212)*	**Removes this provision of Governor's proposal** *Statutory changes to competitive bid requirements are among the provisions in Item 1 of the LFB Summary of Governor's budget recommendations that the motion deletes. The motion removes these statutory changes as proposed by the Governor, but does not preclude these change occurring in the future upon CMS approval of required waiver amendment and JFC approval.*
Removes protection for small businesses to cover actual costs of services *Eliminate the ability of DHS to prohibit MCOs from including provisions in contracts with Family Care service providers to return any funding for*	**Removes this provision of the Governor's proposal** *The motion is silent on this specific provision. Statutory changes to remove protections for small businesses to cover actual costs are among the provisions in Item 1 of the LFB Summary of Governor's budget*

residential services, prevocational services, or supported employment services that exceed the costs of services to MCOs.	*recommendations that the motion deletes.* *The motion removes these statutory changes as proposed by the Governor, but does not prevent these change from occurring in the future upon CMS approval of required waiver amendment and JFC approval. The motion would continue current law until a federal waiver is approved.*
Establishes open enrollment period *Requires DHS to request a waiver allowing Family Care enrollees to change MCOs only during an open enrollment period specified by DHS.*	**Establishes open enrollment period** *Establishes open enrollment period for state's long term care programs that coincides with the open enrollment period for the Medicare program.* *Currently, Family Care participants may choose a different MCO option or IRIS at any time.*
	Inserts provision requiring stakeholder involvement *The motion directs DHS to consult with stakeholders, including representatives of consumers of long term care and long term care providers, and the public prior to developing its final waiver request.* *The motion does not specify any particular entities or groups that must be represented (such as people with disabilities, families, advocates), the number of stakeholders required, or any specify requirements on process. The motion directs DHS to consult with stakeholders; no definition of consultation is included and the motion is silent on the level of involvement/engagement DHS is expected to have with stakeholders The motion requires consultation to occur "prior" to developing the final DHS waiver request; the term "prior" is not defined and is subject to interpretation. There is no requirement that DHS must incorporate public comments or address stakeholder concerns in the final waiver.*
	Requires DHS to include any proposed statutory changes associated with an approved waiver or state plan amendment in their 2017-19

	biennial budget request
	Inserts provision requiring rates paid to IHAs be set through an independent actuarial study