



of Wisconsin Disability Organizations

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July 7, 2015

Dear Legislator:

Since the introduction of the Governor's budget in February, people with disabilities, their families, and advocates have raised many questions and concerns about the Governor's proposed changes to Family Care, IRIS, ADRCs, and the overall long-term care system.

We appreciate the diligence and attention Joint Finance Committee members and legislators have taken to listen to constituents concerned about how changes to a delicate and complex long term care system can directly impact their daily lives.

The Joint Finance Committee has made improvements to the Governor's original proposal. However, the long term care policy changes included in the budget are of such a large scale that we are not confident all the necessary technical and other fixes are included in the final budget bill.

Survival Coalition recommends that expansion of Family Care/IRIS to the remaining eight counties occur as proposed, but requests that all other changes related to long term care included in the budget (pages 1497-1503) be removed and considered as a separate piece of legislation. Other states that have implemented similar proposals have experienced unintended consequences that have resulted in added hardships for older adults, people with disabilities, and their families that Wisconsin can and should avoid.

The proposed integration of acute, primary, behavioral, and long term care services will replace Wisconsin's current long term care system with a new model. This is a monumental task that requires detailed planning, deep involvement with the disability community, as well as long term commitment to focus attention on transition and full implementation.

Separate legislation enables additional deliberation on how a new system will function and can incorporate needed technical changes to clarify existing language. For example, the current budget proposal does not address the following substantial concerns:

- Does not include a mechanism that would de-incentivize institutional placements and conversely incentivize placements from institutions back into the community.
- Does not limit profit or administrative costs for Integrated Health Agencies (IHAs) (current MCOs have a 5% limit on administrative costs and a 2% cap on profits).
- Does not preclude DHS making changes to the waiver that would alter service types or service levels for individuals, or other policies that govern how IHAs, ADRCs, providers, and people self-directing services operate in the long term care system.

- Does not ensure that the self-directed services option will continue to operate like the current IRIS program. A recent [Legislative Fiscal Bureau memo](#) outlined four core elements of the current IRIS program that the JFC does not specify as requirements (eligibility to participate in IRIS, whether support as currently provided by ICAs would continue, whether IHAs would be required to inform participants of self-directed option, and whether the presence of family/caregivers could reduce individual budget allocations). We also understand that CMS requires the use of the interdisciplinary team (IT) within a managed care model. Currently IRIS participants do not have to consult with and wait for the approval of an IT, which therefore allows true self-direction and saves the unnecessary expense of the IT.
- Does not specifically include long term care participants, families, or advocacy groups as required stakeholders, or outline a formal process for the Department and required mechanisms for gathering input.
- Does not ensure that people will be able to keep their current Family Care MCO or ADRC.
- Provides DHS with a limited timeline to develop a complex waiver for the new system. The original Family Care waiver took two years to develop and was implemented on a pilot basis before expanding further.
- Does not ensure that some services or parts of ADRCs will not be provided by for profit agencies and/or agencies that are not familiar with local disability and aging resources.

The above concerns and others can be legislatively addressed to provide clarity for long-term care participants, families, and advocates and to ensure that the legislature's intent is fully implemented.

Sincerely,

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