

Committee on Comprehensive System Change
Council on Long Term Care Reform
Meeting of December 14, 2007

Draft Minutes

Members present: Pat Anderson, Beth Anderson, Lynn Breedlove, Paul Cook, Carol Eschner, Tom Frazier, Rich Kammerud, Tim Sheehan

Members absent: Jon Hochkammer, George Potaracke, John Sauer

Others present: Lorraine Barniskis, Kevin Coughlin, Jennifer Wagner, Sue Schroeder, Judith Frye, Wendy Fearnside, Bill Jensen, Steve Milioto, Erich Schwenker, Deb Rathermel

Vice Chair Paul Cook called the meeting to order at 9:10 a.m.

Issues related to development of affordable assisted living and supportive housing

Wendy Fearnside briefed the committee on past efforts to expand affordable assisted living and housing. A Robert Wood Johnson funded project addressed expansion of affordable RCACs over a multi-year time frame. RCACs were first developed for affluent people; as that market becomes saturated, developers are looking at lower-income markets. Many developers were interested in the RWJ project, but very little of that interest resulted in actual development. Several DHFS policy changes were made to try to help (e.g., food stamps had not previously been available to assisted living residents). The lack of availability of service funding was the root problem. Five demonstration projects were financed with tax credits. Of these five:

- One has had problems because residents' incomes were a little too high for Medicaid, so that they were not eligible for HCB waiver program services.
- Two never added services.
- One converted to assisted living but never was able to access waiver program funding.
- Garden Place in Milwaukee (Sun Star) was successful; the availability of Family Care was key. The facility worked with the CMO from the beginning to develop services and pricing.

WHEDA this year awarded tax credits to five new projects with 199 beds. The expansion of Family Care statewide will make a big difference in the likelihood of successful similar projects. WHEDA's interest in this area is increasing. Wendy distributed two handouts outlining lesson learned from the RWJ project and suggested ways that the state could encourage expansion of affordable assisted living options. She noted that no staff at DHFS are now assigned to work on assisted living or affordable housing issues.

Committee discussion of these issues included the following points:

- Housing and assisted living projects take time to develop, while Family Care is expanding rapidly; MCOs are struggling with how to offer choices in the short term.
- Some housing authorities are interested in converting some housing units to assisted living.
- Available Section 8 vouchers are sometimes turned back. Under Section 8, federal funds are given directly to over 100 local housing authorities. No one at the state works with local authorities in a systematic way. Milwaukee has been active, with the development of Lapham Park and other projects.

- Financing is an issue; a project needs to spend lots of money to be in a position to get long-term financing.
- Information about successful projects needs to be disseminated to other Family Care MCOs and we should consider incentives to new MCOs to develop similar projects.

Development of affordable supportive housing

Erich Schwenker, Wisconsin Housing Preservation Corporation, described work that they have done to develop affordable supportive housing of several types. (See PowerPoint and other handouts for details.) This corporation has a board appointed by the Governor and works with funding provided by J.P. Morgan. Its mission is preserving affordable housing. The Cardinal Capital Management is a subsidiary, which develops supportive housing. They manage nearly 5000 units, about 60% of which are occupied by elders and people with disabilities and 40% by families. They are looking at the possibility of partnerships with assisted living providers, perhaps resulting in the conversion of portions of units in a building to assisted living.

Report from the Residential Work Group

Monica Deignan and Beth Anderson distributed several handouts and reported on work done by the Residential Work Group. Pre-admission consultation requirements have not been effective in diverting people from assisted living or nursing homes, although they are useful referral sources for ADRCs. The question for the Work Group was how to inform elders on what they need to know before they move to assisted living. The group held three meetings and their resulting draft of an information piece for consumers was widely reviewed.

Disclosure by facilities about staffing and services

Kevin Coughlin, working from a PowerPoint handout, described requirements in several states for uniform disclosure by facilities about their staffing, services and pricing. He believes that Wisconsin could do something similar through administrative rule changes rather than statute. He suggested that rather than requiring facilities to hand out this information, it might be more effective for ADRCs and MCOs to use the information, and to put it on the web for public access. He also suggested creative approaches to increasing options for people to age in place, such as floating CBRF/RCAC licenses. Committee discussion included the following points:

- Flexible models are good; we should also look for models that integrate disabled and non-disabled populations.
- In the Lapham Park model in Milwaukee, service levels to residents range from none at all to a lot.

Comments from the public

There were no public comments.

DHFS updates

Judith Frye briefed the committee on recent developments. Approval of the Joint Committee on Finance is needed before expansion can proceed beyond the two counties scheduled to begin Family Care implementation in January; assuming JFC approval, implementation will begin in a number of other counties in February. In the La Crosse area, a planning group is still creating an organization to run Family Care. They plan a transition from the current La Crosse CMO in May, then to bring in the other counties in the area over time.

Community Living Alliance in Madison cannot meet the financial requirements of the Insurance Commissioner. They are working with other private MCOs with the eventual goal of merging.

Eldercare of Wisconsin is still on track to expand to Columbia County. In the southwest part of the state, Richland has indicated that it will be ready for an RFP in February. The plan is to transfer Richland County MCO members to the new regional organization in the fall of 2008, then to expand to other counties in the region, beginning with Sauk, by 2010. The consortium in the western part of the state is on track to begin expansion to Chippewa in May, with other counties added over the summer and fall.

Phase II of the business infrastructure project is underway. This phase is addressing issues with the readiness of DHFS and all other actors to be successful with expansion.

Assisted living issues

After some discussion, the committee made the following recommendations, which were forwarded to Secretary Hayden by Chair George Potaracke following the meeting.

1. People who need long-term care, including private pay individuals, need good information about their options before they make decisions about assisted living. This is important both to assure that they choose the most effective options and that they conserve their resources as much as possible. To address this issue, the committee recommends:
 - a. That DHFS develop disclosure mechanisms that will make available web-based, uniform information about the services offered by assisted living facilities and the costs of those services.
 - b. That DHFS work with the Wisconsin Assisted Living Association and LTC MCOs to pilot various options for improving pre-admission consultation mechanisms, with the goal of an effective system that assures opportunities for real consumer choice.
 - c. That DHFS further refine and then implement language recently drafted by its Residential Work Group. This information about the extent of potential public funding would be required to be given to prospective residents by facilities in a timely way.
 - d. That the new Council on LTC Reform review and comment on DHFS efforts to develop statewide strategies for marketing Aging and Disability Resource Centers (ADRCs) as a good source of information about LTC options, including assisted living.
 - e. That the new Council review and comment on DHFS efforts to develop standardized quality measures for ADRCs, including measures to assure good local marketing and outreach.
2. Low-income individuals and the publicly funded LTC system need more assisted living and service supported housing options that are affordable. To address this issue, the committee recommends that DHFS dedicate staff time to developing strategies for making affordable assisted living and service supported housing a reality. These efforts should include coordination with other state agencies, especially the Department of Commerce and the WI Housing and Economic Development Authority (WHEDA), private sector developers and financiers, and LTC managed care organizations.
3. Concerns have been raised about duplication of efforts in assessment, care planning and care management for Family Care members who reside in LTC facilities. There are requirements for these activities for both Family Care MCOs and for facilities. To address these concerns, the committee recommends that DHFS and/or the new Council

convene a work group to determine how to maximize consumer outcomes with the most effective use of human resources.

4. Residents who have special needs (e.g. dementia) require specialized care in assisted living facilities. Moreover, they and their families need to be sure that such care is actually provided when a facility advertises that it is offered. To address these issues, the committee recommends:
 - a. A work group has been formed to develop guidelines for MCOs around implementation of the new statutory directive that MCOs contract with any provider meeting its quality and pricing requirements. This work group should develop threshold standards for specialized care. The standards being developed by the WI Association of Homes and Services for the Aging (WAHSA) should be reviewed as part of this process.
 - b. The new Council should track the development of the standards developed by the above work group and should encourage the further development of standards for specialized assisted living care.

Committee business

- The minutes of the October 12, 2007 meeting were approved unanimously, on a motion by Rich Kammerud, seconded by Beth Anderson.
- Paul Cook noted that the early work of this committee had paved the way to the current reality of long-term care expansion. He requested that Council Chair Carol Eschner convey the committee's thanks for the Council's support. He thanked George Potaracke for his leadership of the committee, as well as all committee members, its staff, and DHFS.

Meeting adjourned at 2:45 PM.