

**Committee on Comprehensive System Change**  
Council on Long Term Care Reform  
**Meeting of April 13, 2007**

**Draft Minutes**

**Members present:** Beth Anderson, Pat Anderson, Lynn Breedlove, Paul Cook, Rich Kammerud, George Potaracke, Tim Sheehan, John Sauer, Craig Thompson

**Members absent:** Carol Eschner, Tom Frazier

**Others present:** Lorraine Barniskis, Kathleen Luedtke, Judith Frye, Monica Deignan, Kevin Coughlin, Chuck Wilhelm, Otis Woods, Carrie Molke, Dan Hayes, LeAlyce Kammerud, Mary Green, Jennifer Wagner, Bill Jensen, Sinikka Santala, Kevin Hayden, Lincoln Burr, Shelly Hansen-Blake, Ann Miller Holman, Holly Pitas

Chair George Potaracke called the meeting to order at 9:10 a.m.

**Updates from DHFS**

Chuck Wilhelm reported that 1,188 people had relocated from nursing homes to other settings under the Community Relocation Initiative as of the end of March. As of the same date, 533 people had relocated from ICFs-MR to other settings under the ICF-MR Restructuring Initiative. DHFS was recently authorized to use another 150 slots for the nursing home diversion program. Chuck noted that only 15 non-state ICFs remain open, of which nine are county-owned. He urged that the state begin discussions with counties with the goal of determining how more of these ICFs could be closed or downsized.

Judith Frye updated the committee on the DHFS reorganization. Sinikka Santala will head the new Division of Long Term Care, with Fredi Bove as her assistant administrator. John Easterday is the acting Administrator of the new Division of Mental Health and Substance Abuse Services. Otis Woods is the Administrator of the new Division of Quality Assurance; this position will remain in the classified service. Area Administration will be moved to the Division of Enterprise Services.

Kathleen Luedtke updated the committee on the progress of reform planning consortia.

- The Central WI counties are in the process of implementing a multi-county agreement under Chapter 66 of the statutes and are likely to request an RFP in June. Family Care implementation is anticipated in Marathon County in early 2008, and in Wood County 6-8 months later.
- The West Central (red) consortium has dissolved its original steering committee, with the departure of four counties from this group. The remaining five counties are leaning toward having Community Health Partnership serve as the CMO in that region, and hope to start implementation in January 2008.
- The West Central (tan) group has been joined by Pepin County, and Clark is also considering joining. They plan ADRCs in the north and south of this region. They are likely to request an RFP in June, and plan to form a Long-Term Care District. They are concerned about the possibility that proposed statutory language on districts may not be passed in time for getting approval from county boards.

- In the northwest, Polk and Barron Counties have joined, bringing the total number of involved counties to eleven. They are planning a publicly-operated CMO, likely through a Long-Term Care District.
- The southwestern consortium is planning 3 ADRCs, and has concerns about having sufficient start-up funding. They hope to implement Family Care in Green and Sauk Counties by late 2008, with other counties phased in at later dates.
- Milwaukee County is planning to publicly operate one CMO for all target groups, but to have two separate Resource Centers. They are interested in implementing services for people under age 60 in the next biennium.
- Dane County has concerns about county contribution requirements and planning in the Dane-Rock consortium is on hold.

### **Biennial budget issues**

George noted that Carol Eschner has agreed to take recommendation from the committee to the Council's Executive Committee. After some discussion, the committee developed the following recommendations:

1. Support efforts to move long-term care reform forward.
2. Support the statutory language changes in the Governor's budget related to changing the name of "Family Care District" to Long-Term Care District" and adding flexibility to how these units of government would be organized.
3. Encourage all interested parties to work toward formal agreement on issues surrounding county contributions to long-term care.
4. Support increases in the budget for the elderly benefit specialist program, as proposed by the Coalition of Wisconsin Aging Groups (CWAG) and AARP Wisconsin.
5. Support adequate funding for independent advocacy for Family Care participants, both within the Long Term Care Ombudsman Program and funds to serve persons with disabilities.

Judith noted that formation of a workgroup to develop the scope and mission of independent advocacy had been discussed some time ago. Monica Deignan is working on the charge to this group.

### **Nursing home and assisted living issues**

Secretary Kevin Hayden and Sinikka Santala joined the group. Secretary Hayden noted that he wanted to focus on where we are going, rather than rehashing old issues. George said that the committee had two major questions about nursing homes. (1) While it is clear that we will need fewer beds in the future, will we have them where we need them? (2) What is the State's responsibility to help shape the future of the nursing home industry, and to influence how and where they provide services?

The Secretary said that we need to have more clarity about what we view as good roles and good quality. He has put the "recognition for performance" initiative on hold until we better define "quality" and have a way to provide financial incentives to move facilities toward that quality. John Sauer urged that we move forward soon. He noted that additional downsizing will occur soon, and that it can be planful or not. He suggested an immediate focus on downsizing and

renovation initiatives and Medicaid's role in those. He also urged that barriers to good assisted living choices be eliminated; a recent DHFS memo goes in the opposite direction, in his view, cutting off MA funding for CBRFs attached to nursing homes. Lynn Breedlove noted that advocates for people with disabilities likely have a different perspective on this issue than advocates for elderly people. Sinikka said that a workgroup will be formed to re-examine this policy.

George noted that mechanisms are needed to assure that Family Care purchases for quality, not price. Secretary Hayden said that an internal review of Family Care is underway. Paul Cook noted the need for regional, specialty nursing homes and his concern that existing ones could be lost since they'll overlap several CMO areas. Craig Thompson suggested that a fresh look be taken at the Medicaid supplementation issue in view of managed care initiatives.

Secretary Hayden said that we have a relatively healthy and high quality nursing home industry and urged that we be clear about what we can do together and what we can't.

### **Comments from the public**

There were no public comments.

### **Committee business**

- The minutes of the February 9, 2007 meeting were approved unanimously, on a motion by Rich Kammerud, seconded by Tim Sheehan.
- Craig Thompson will be leaving the WI Counties Association in early May, to work for the Transportation Development Association. He received congratulations and well wishes from committee members, and it was noted that his expertise will be missed by those working on long-term care reform.
- George presented a certificate to Chuck Wilhelm on the occasion of his retirement, recognizing his steadfast and competent work in the design and implementation of Family Care, and his leadership on many other long-term care issues and programs.

### **Assisted living provider panel**

Beth Anderson moderated a panel of representatives of organizations providing assisted living services for people with developmental disabilities in CBRFs and AFHs. They included Shelley Hansen-Blake, Lincoln Burr, Ann Miller Holman and Holly Pitas. Points raised during this discussion included the following:

- People with much more complex needs are moving into the community and those who have been in community settings for years are aging. Many more residents have unstable medical conditions and/or more intense behavioral issues than was true 10 or 15 years ago. Their needs require higher levels of service, while state and county funding has not increased.
- Without sufficient funding, and with increases in other costs like insurances, wages for direct care workers have been stagnant, and workers' contribution to health insurance has increased. Organizations are having increasing difficulty recruiting and retaining workers. These are very difficult jobs, with wages and benefits that cannot support families. Financial and other stresses may result in workers making poor judgments with consequences for clients. Younger and less educated people are filling direct care positions; combined with the stresses noted above, it is less likely that clients' health

issues and other problems will be noted. Workers leave the field or move to another organization for relatively meager pay increases. Turnover is particularly high in the first 90 days of employment.

- Less experienced people now fill supervisory and management roles because workers do not stay long enough to work their way into these positions.
- With rising health care costs, organizations are having trouble providing meaningful benefits for workers. Many direct care workers are covered by Badger Care, if they have children. Few workers can afford employer-sponsored insurance if it is offered.
- It is difficult to find affordable housing in safe neighborhoods; neighborhood resistance is still a problem in some areas.
- Client access to high quality medical, mental health and dental services varies widely across the state.
- Direct care workers receive an average of 60-100 hours of training, not necessarily leading to a CNA certificate. The training varies according to the needs of the clients each worker will serve. More one-on-one and hands-on training is needed, but regulations require substantial classroom training.
- Providers are worried that the transition to managed long-term care will lead to reductions in the quality of life components of assisted living. So far, there has not been much difference in relationships with pilot counties. More attention is needed right now on the current broken system; everyone is focused on the shift to managed care.
- Concerns were raised about the ability to develop sufficient capacity, when government programs do not pay for development and start-up costs.

#### **Update on DHFS work group on assisted living issues**

DHFS is in the process of forming a workgroup to address assisted living issues. The workgroup will include providers, ADRC and CMO representatives, DHFS and contracted staff. The first focus will be on elderly issues, and how to use assisted living most effectively in public programs for people who really need it, while not cost-shifting to private pay individuals. The pre-admission consultation (PAC) process was designed to inform people before they make big decisions about moving to an assisted living setting, but it has not been effective in reaching people in a timely way. The goal is to bring recommendations to this committee by the end of 2007, with regular updates over the course of the year.

#### **Assisted living issues for future committee discussion**

Since the DHFS-sponsored workgroup is focused on assisted living issues related to serving elderly people, the CSC committee will focus in the near future on issues related to serving people with developmental disabilities. Topics should include:

- Provider payment structures and appeal processes
- The increasing medical and behavioral health issues of the assisted living population; how to maintain a “social” model given this phenomenon, and issues of risk
- Workforce issues
- The effects of various bills related to increasing health care coverage on assisted living and other providers of service
- The duplication of services in managed care; e.g., CMO case manager nurses and facility-employed nurses, the Family Care/COP functional screen and the facility-performed assessment.

#### **Future agenda items**

- Next meeting scheduled for June 8th. Suggested items for future agendas:

- Discussions on assisted living.
  - Impact of managed care, including duplication of services between MCOs and facilities.
  - Appropriate roles.
  - How to maintain “social” model in view of increasing acuity of residents (medical and intense behavioral issues); risk issues related to this increase.
  - Workforce issues.
  - Quality assurance systems (including CMO contracts).
  - Bring in someone to talk about innovations in design of assisted living.
  - Bring in Family Care/Partnership provider network developers and/or care managers.
  - Provider panels to discuss issues from their perspectives.
  - Payment structures for providers in managed care and assuring adequate rates. Provider appeal processes; potential requirements for MCOs to annually review and adjust provider rates; rate-setting methodologies.
  - Impact on providers of pending bills to increase health insurance coverage for Wisconsin’s population.
  - Updates from DHFS on assisted living workgroup.
- Screening for and addressing the mental health needs of Family Care and Partnership enrollees (CSC Committee or full Council)
- Issues related to thoroughly reviewing and offering service choices to people transitioned from HCB waiver programs to Family Care; when can this reasonably be expected after initial implementation of a CMO?
- Uniformity issues in Family Care and COP/Waiver contracts; some counties are adding contract requirements, creating difficulties for providers who contract across county lines.
- Briefing from Jason Helgerson on Badger Care Plus proposal.
- Invite someone from UW-Milwaukee school of architecture or someone from one of the competing architectural firms to discuss results of recent competition on affordable, accessible housing.

**Meeting adjourned** at approximately 3:25 PM.