

Committee on Comprehensive System Change
Council on Long Term Care Reform
Meeting of August 10, 2006

Draft Minutes

Members present: Pat Anderson, Gerry Born, Paul Cook, Carol Eschner, Tom Frazier, George Potaracke, Tim Sheehan, Craig Thompson

Members absent: Lynn Breedlove, Rich Kammerud, John Sauer

Others present: Brian Schoeneck (for John Sauer), Judith Frye, Lorraine Barniskis, Chuck Wilhelm, Sue Schroeder, Mark Stein, Bill Jensen, Nachman Sharon, Nancy Anderson, Dan Hayes, Steve Milioto, Sharon Ryan, Jim Hennen, Basil Maduke, Mark Sager, Barbara Lawrence, Asenath La Rue

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

Alzheimer's early detection memory screening project

Dr. Mark Sager, along with colleagues Asenath La Rue and Barbara Lawrence of the Wisconsin Alzheimer's Institute, presented findings to date from their Alzheimer's early detection memory screening project. They stressed the potential public cost savings and improved quality of life related to early identification and treatment of dementia. Slowing the progression of Alzheimer's disease through certain medications can significantly delay entry into nursing homes. The project has developed screening projects in several counties. County aging and human service staff have been trained to provide the screening and make referrals to physicians when people test positive for memory deficits on initial screening. The project also works with local physicians to do more in-depth testing upon referral. So far, results have been very positive, indicating the potential to save public and private funds and to improve quality of life for older people through a county-based screening process. The biggest challenge has been to engage and educate physicians. (See handout for more information.)

Consumer protections and advocacy in the new LTC system

George Potaracke noted that at the committee's last meeting, Monica Deignan had provided an in-depth review of consumer protections that are woven throughout Family Care and Partnership. Additional analysis is provided in a paper prepared by Charles Jones and Judith Frye at the request of Secretary Nelson. Judith noted that the independent advocacy program that operated in the very early days of Family Care helped to identify problems, which in turn resulted in changes to the program to beef up consumer protections. She said that CMO staff had recently reported that to their knowledge, members who need independent advocacy services can find one in existing advocacy organizations. She suggested that the committee look at what is already covered in other ways and what would be the specific responsibility of any restored external advocacy system. She noted that the responsibilities of the External Quality Review Organization (EQRO) will be expanded as managed LTC is expanded.

Lynn Breedlove, unable to attend the meeting, had sent two emails outlining his thoughts on this issue and these were brought to the attention of the committee. Judith noted that he had listed a number of problems uncovered by the original advocacy program, but didn't say how Family Care's processes had been changed to resolve them. Tim Sheehan added that for every problem cited, there are many similar ones in the existing waiver programs that are as bad or worse.

Points raised in the committee discussion included the following:

- There was wide consensus that external advocacy should be available to Family Care and Partnership members, and that it should be an integral part of the reform effort (not an add-on). External advocacy systems should be built on the same principles and values that underlie the entire reform effort.
- There was also wide consensus that this advocacy system should not be legalistic in nature. The purpose should be to help consumers navigate and understand the system, resolve immediate problems, and achieve their identified outcomes. The issues are about fairness and understanding, not legal rights. A federally funded system exists to deal with the protection of legal rights. Past experience with a legalistic approach showed it to be not helpful, and in fact counterproductive.
- Information about problems identified through consumer advocacy should be fed back into appropriate parts of the state and local LTC systems, to inform quality improvement efforts.
- To the extent that new managed care systems integrate acute and primary services with LTC, advocates will need to have expertise in Medicare processes as well as Medicaid. The overlap of grievance and appeal processes between these two systems is complex.
- It was noted that several mechanisms already exist to provide consumer advocacy in the LTC system. It was generally agreed that to the extent possible, we should avoid duplication and build on the infrastructures already in place. Among the potential organizations and mechanisms cited were the following:
 - The Ombudsman program, which provides advocacy through a mediation model for nursing home and RCAC residents and for COP and Waiver clients age 60 or older. This program is very well respected and cost-effective.
 - Independent Living Centers provide informal advocacy for many people with disabilities, especially those under age 60.
 - The Medicaid program has an advocate who can play a role.
 - Family Care CMOs have internal member rights representatives and network developers who are already effective in dealing with provider problems. Internal advocacy can be very timely and therefore effective. The member rights representative can also be an effective partner and contact point for an external advocate.
 - Provider organizations under contract with CMOs also advocate for Family Care and Partnership members they serve.
 - ADRCs' roles include advocacy. To the extent that they are sufficiently separate from the MCO, they can help to resolve disputes between the MCO and the consumer. They could also have a "navigator" position to help MCO members understand the system and their options within it.
 - Consumers and advocates are required to be part of advisory councils and boards. They can provide some advocacy for consumers and can be another good contact point for external advocates.
- Mediation takes skill, and training is needed to assure competency and uniformity. Any organization with external advocacy responsibilities should be held accountable to clear and specific standards.

It was agreed that much work is needed to sort out specifics and build on the bones of these draft recommendations. It was further agreed that Lorraine will draft recommendations in this area based on committee discussion. These will be emailed to the committee for comment prior to forwarding them to the Council for consideration at its September meeting.

Updates from DHFS

Chuck Wilhelm reported on the release by the federal CMS of an RFP for the Money Follows the Person Initiative, which provides a higher than normal federal Medicaid match for community-based services for people relocated from nursing homes. Wisconsin appears to be much further along in similar efforts than other states, and we will likely apply for funding and receive it. He recognized the good work of many DHFS staff members, who have already accomplished much in this area.

The pace of relocations in the ICF-MR Restructuring Initiative remains strong; we are about one-third of the way to the goal set in the budget process. Nine facilities have closed; five more are in the process of closing; and five are downsizing. Another two facilities are likely to begin the process of closing or downsizing soon. Average services costs for relocated individuals are \$205 per day. Chuck noted that in 1980 Wisconsin had 54 ICFs-MR with about 5200 residents. Today there are 24 facilities with about 1425 residents.

The Community Relocation Initiative has enabled over 650 relocations from nursing facilities as of July 27th for CIP II and June 30th for Family Care and Partnership. The budget projection was for 615 by this date. Two nursing facilities are downsizing and two are actively closing, resulting in considerable work for DHFS and county staff. Average service costs for these relocated people are about \$70 per day.

Judith Frye reported on reform planning efforts, noting that county funding contribution is a topic of much debate. DHFS and WCHSA recently held a discussion on these issues. DHFS is doing more refined modeling based on those talks. Another meeting is expected before the end of August. An RFP is ready to go out for managed LTC in the Kenosha and Racine area. It is being held for more clarity on the county contribution issue. Secretary Nelson is meeting with regional planning consortia as she travels to various areas.

Work is progressing on solidifying self-directed support requirements for Family Care. Several sets of recommendations in this area have been developed; staff are working on mechanisms for implementation. Secretary Nelson met with the WI Council on Developmental Disabilities in July on self-directed support issues. She has asked DHFS staff to provide her with a full briefing to prepare for a formal response to the DD Council.

Work is also progressing on the automated screening process that will replace the current prior authorization process for MA personal care. The screen is similar to, but not the same as, the functional screen. The change is designed to enable quicker authorization, including rapid response to changing conditions, and better uniformity. The change will begin on a voluntary basis on September 1st and become mandatory December 1st. The tool will first be used for re-authorizations, so that it will take a full year to get to full implementation. Appeals will still be possible, with human review. There has not yet been a decision about whether to proceed with the telephony system for MA home care that had previously been discussed.

Tom Frazier noted that he had heard complaints from some Area Agencies on Aging and County Aging Directors about not feeling welcome in regional reform planning efforts. Judith said that she had also heard these complaints. She noted that DHFS has received plans from all planning consortia for involving stakeholders; these are posted at <http://dhfs.wisconsin.gov/ManagedLTC/stakeholders/index.htm> and reflect the varied degrees of progress among the consortia. She noted that DHFS needs to help the consortia improve in

involving the aging network, especially in planning and developing ADRCs. She requested that advocacy groups assist DHFS in resolving minor complaints about the planning process before they become major conflicts. She also noted that the first quarterly reports will be coming in soon from all planning consortia and these will be posted on the reform web site. She requested feedback on the reports to DHFS and individual planning consortia.

Comments from the public

Nancy Anderson commented on the discussion around approaches to consumer advocacy. She noted that the DHFS paper on this topic suggested a quality improvement approach, while Lynn Breedlove's emails took a quality assurance approach. She noted that quality improvement approaches required a major internal cultural adjustment and that to do good quality improvement a loop back from a complaint or incident to system improvements is needed.

Mark Stein welcomed early efforts to resolve issues, including stakeholder involvement and external advocacy. Local planners need clarity around outstanding issues.

Jim Hennen also commented on the advocacy discussion, noting that an adversarial approach can be the result of personalities, not just training as an attorney or a "legalistic" system. He said that resolving disputes is the important goal, not confrontation just to prove a point.

Committee business

- Paul Cook suggested several corrections to the minutes of the June 9th Committee meeting. With these corrections, the minutes were adopted by consensus.
- Paul Cook announced that a nursing home system in Eau Claire has expressed interest in working with CHP to develop a proposal to the RWJ Foundation for a greenhouse project.

Nursing home access issues

Nachman Sharon distributed and walked through a handout summarizing more refined analysis of the future need for Medicaid-funded nursing home beds. This analysis uses 2005 data (rather than the 2004 data used in previous analyses) and addresses many risk factors, including mental health and cognitive issues. The paper's conclusion projects a substantially reduced need for Medicaid-funded nursing home beds when the entire state is served by a mature managed LTC system. Nachman will work with Cindy Ofstead to further refine these projections based on demographic factors related to specific age cohorts. Discussion included the following points:

- People sometimes enter nursing homes as private pay and may not be able to relocate because they have acclimated, rather than because they have high risk indicators.
- Private pay people also sometimes enter nursing homes rather than assisted living when they can no longer live at home because community funding is not available except in Family Care counties. Even in Family Care counties, middle-income families often have few assisted living choices, so choose nursing homes.
- The length of time that a fully mature managed care program has been in place also makes a difference about whether people can go to or remain in assisted living rather than nursing homes.
- Oregon did substantially reduce the number of nursing home beds under a different reform strategy.
- The analysis and discussion has so far not addressed what kinds of beds are needed, or where. Three kinds of beds will likely be needed: (1) short-term rehabilitation; (2) end of life; and (3) beds for people who need 24-hour specialized care (e.g., for dementia).

- About 80% of admissions are currently from hospitals and funded by Medicare. These stays are primarily for short term rehabilitation and end of life and are unplanned.
- Facilities are looking at what market they want to be in and can reasonably support.
- If the nursing home industry is significantly downsized over the coming years, remaining residents will likely have higher average acuity, requiring higher payment rates.
- Many consumer advocates would be willing to support higher nursing home rates for specified segments of the population if system reforms result in an entitlement to needed community-based care.
- Many people in nursing homes have mental health issues. There may be no other local alternatives for them, although those should probably be developed.
- ADRCs, particularly through their options counseling role, should be able to help both private and public pay people make good choices about where to receive care.

Biennial budget recommendations

The committee reviewed suggestions previously provided by George Potaracke and John Sauer related to possible recommendations to the Council regarding the DHFS 2007-09 biennial budget request. After some discussion, the following actions were taken:

On a motion by Gerry Born, seconded by Tim Sheehan, the following recommendation was adopted unanimously:

We recommend that DHFS seek statutory authority to expand managed LTC statewide in the next biennium, and funding sufficient to allow start-up of managed LTC programs in areas serving at least fifty percent of the state's eligible population.

On a motion by Tom Frazier, seconded by Gerry Born, the following recommendation was adopted unanimously:

We recommend that DHFS seek sufficient funding to support fully operational Aging and Disability Resource Centers serving all parts of the state by the end of the biennium.

On a motion by Craig Thompson, seconded by Tom Frazier, the following recommendation was adopted unanimously:

We recommend that DHFS seek funding to adequately support county economic support services to enable expansion of managed LTC.

On a motion by Brian Schoeneck (for John Sauer), seconded by Gerry Born, the following recommendation was adopted unanimously:

We recommend that DHFS seek increased funding for Medicaid direct care costs to reflect rising acuity levels of residents remaining in nursing facilities.

On a motion by Carol Eschner, seconded by Tim Sheehan, the following recommendation was adopted unanimously:

We recommend that DHFS seek authority and funding to build an external advocacy component into the structure of a reformed LTC system, as outlined in the discussion earlier in the meeting.

These recommendations will be considered by the full Council at its September 8th meeting. Given the timing of the DHFS budget request, it was agreed that George will send the committee's recommendations to Secretary Nelson soon. Judith will inform the Secretary that a letter is coming and what it will likely contain.

Future agenda items

- Next meeting scheduled for October 13th. Suggested items for future agendas (cumulative list):
 - Further discussion to refine a proposal for consumer advocacy in the new system.
 - Capacity development in the area of accessible, affordable independent apartments, especially for younger people with disabilities.
 - Invite leadership of the aging network to talk about their role in reform efforts.
 - Update on planned changes to the MMIS system and its interface with LTC reform and other county functions.
 - Continued updates on efforts of local planning consortia.
 - Continued discussion of nursing home access issues (reports from DHFS and discussion).
 - Discussion of what insurance regulations will impact LTC reform efforts
 - Discuss the roles of PACE/Partnership in the new system; will they run side by side with other programs?
 - Invite Family Care representatives and nursing home representatives from Family Care counties to speak
 - Review data on nursing home relocations by target group and length of stay
 - Review status of nursing home downsizing agreements and payments
 - Possibly meet in a nursing home
 - County issues raised by the Southeastern planning consortium, including:
 - Retention of sufficient funds to provide administrative infrastructure for serving people not eligible for Family Care
 - Need for funding to have fully functional ADRCs
 - Funding for sufficient county economic support staff to do financial eligibility determination for Family Care
 - Funding for APS, crisis and short-term case management services for people not eligible (or not yet eligible) for Family Care
 - Infrastructure needs for remaining county responsibilities, including mental health, child welfare, juvenile justice and public health, in light of past decades of stagnation in state and federal funding for these county-mandated services.
 - Potential county costs for local oversight, public accountability and consumer grievance processes in the new LTC system
 - Potentially inaccurate assumptions regarding LTC costs.
 - Updates on nursing home quality and acuity-based rates (as timing is appropriate)

- Overview of federal requirements and needed waivers to proceed with reform (after it is more clear what regional consortia want to do)
- Discussion on assisted living – impact of managed care, appropriate roles, quality assurance systems (including CMO contracts). Later in the year, after nursing home access issues are concluded.
- Update on efforts to develop affordable assisted living and housing.
- Planning for consumer advocacy in the new system.
- Additional discussion on how Medicaid LTC reform will interface with Medicare managed care, including how to avoid Medicaid investments in reform resulting only in savings to Medicare and cost-shifting from SNPs to Medicaid. Related interface issues from provider perspectives (address concerns expressed by WPSA). Relationships between SNPs and counties for people receiving services from both.
- Overviews of various risk-based payment systems and trends toward individually based rates
- Updates on ICF-MR Restructuring Initiative, Community Relocation Initiative and the CSC project.

Meeting adjourned at approximately 2:45 PM.