

Committee on Comprehensive System Change
Council on Long Term Care Reform
Meeting of December 10, 2004

Minutes

Members present: Gerry Born, Lynn Breedlove, Paul Cook, Carol Eschner, Tom Frazier, Jerry Huber, Mary Kennedy, George Potaracke, John Sauer, Tim Sheehan

Members absent: Craig Thompson

Others present: Chuck Wilhelm, Judith Frye, Lorraine Barniskis, Kathleen Luedtke, Rich Kammerud, Dan Johnson, Tom Moore, Janice Smith, Theresa Sanders, Donna McDowell, Christie Pomerening, David Carlson, and Dan Hayes

Chair George Potaracke called the meeting to order at 9:00 AM.

“Long-Term Care Reform in a Time of Fiscal Crisis”

Tom Frazier, Lynn Breedlove and George Potaracke walked through this proposal which they had authored. There was lengthy and lively discussion of many of the issues raised within this document. On several motions, the committee unanimously recommended to the Council support of the following:

- DHFS should continue to use Medicaid base funding to negotiate downsizing agreements with nursing facilities and should form a workgroup to address the structure and use of nursing homes and state policies that affect them.
- Support the DHFS budget proposal to establish the Life Lease program to allow money to follow a person who has lived in a nursing home for at least 100 days and is then relocated into the community. Relocations should be pursued through an outreach program that would require that all eligible persons in nursing homes, not just those who appear on MA waiver waiting lists, be informed of this option. There should be cost-reporting on the results of relocations under this program.
- There should be a clear goal of making Aging and Disability Resource Centers available to all Wisconsin residents over the next six years (i.e., by 2010).

The committee agreed to continue discussion of some additional issues raised by this document at its next meeting. Other points raised during today’s discussion included the following:

- The committee would like to see current data and analysis related to several issues, including:
 - Nursing home capacity, reflecting recent closings and downsizings, as compared to national data
 - Issues around current requirements for pre-admission screening, and DHFS strategies for improving the system. (It was noted that DHFS

has proposed statutory changes related to CBRF screening. Instead of the current requirement for a COP assessment prior to admission, there would be a requirement that CBRFs provide information to people inquiring about potential admission.)

- The committee and the Council need to address reform of the LTC system more broadly than just expansion of Family Care and similar managed care models. Discussion needs to include reform of quality assurance and improvement systems, reimbursement of nursing homes and restructuring of the overall system capacity in all settings.

Waiver simplification

Chuck Wilhelm walked through the handout on this topic. After considerable discussion, the committee voted (8 yes, 1 abstention) to recommend to the full Council the following:

Integrate the funding for CIP 1A and CIP 1B into one flexible allocation to serve people with developmental disabilities, including funding provided in the ICF-MR restructuring initiative. (CIP 1A and 1B operate under one Federal Waiver).

Integrate funding from COP-W and CIP II into one flexible allocation to serve frail elders and people with physical disabilities who are Medicaid eligible for the Home and Community-Based Waiver. (COP-W and CIP II operate under one Federal Waiver).

- Allocate the state funding and associated federal match for each of these new allocations to counties based upon their prior year base allocation of state funding and the projected federal matching rate.
- Reserve some funding to pay for state-at-large recipients.
- Eliminate the concept of slots and slot rates for people currently enrolled in CIP 1.
- Eliminate the current CIP II practice of tracking slots and slot rates.
- Continue to allocate the federal funds related to county expenditures for these populations based upon estimates of local funding.
- Allow funding to be used to serve people who are eligible under either CIP 1A or CIP 1B.
- Reconcile expenditures at the end of the year within each allocation based upon the total allowable expenditures reported for all eligible people.
- Do not reallocate funding at the end of the year from counties that underspent their state allocation to counties that spent in excess of their state allocation.
- Allow a county to carry over unspent state funding up to 5% of each state allocation to be placed in a risk reserve to fund unanticipated costs.
- Allow the state to carry over any remaining unspent state funds up to 2% of each statewide allocation to be used to develop and enhance quality management practices in counties.
- Any remaining unspent funding would lapse to the general fund.

The committee voted to recommend the following to the full Council on a vote of 7 yes and 2 abstentions:

- COP-R funding associated with the Developmentally Disabled would be integrated with the new CIP program (see above) and COP-R funding associated with the frail elders and people with physical disabilities would be integrated with the new COP program (see above). Funding associated with the Mentally Ill/Substance Abusers would be allocated to counties on a separate contract addendum and earmarked for community-based recovery services.
- Funding would be allocated as GPR to be used primarily as match for Federal Waivers. However, in each of the new CIP and COP programs, counties could use up to an established percent of their allocation (based on recent statewide spending patterns) for people who are not Waiver eligible and for services that are not Waiver allowable.
- “Significant Proportions” requirement would be eliminated.
- Allow a county to carry over unspent state funding up to 5% of their state allocation to be placed in a risk reserve to fund unanticipated costs.
- Allow the state to carry over any remaining unspent state funds up to 2% of the statewide allocation to be used to develop and enhance quality management practices in counties.

Comments from the public

Theresa Sanders noted that counties needed to discuss further the benefits and risks of waiver simplification options.

Consumer choice

Judith Frye provided five handouts describing consumer choice in Family Care and Partnership. One of these was an excerpt from the Lewin evaluation of Family Care, which included the DHFS goal for LTC Redesign: “The redesigned system will provide individuals and families with meaningful choices of supports, services, providers, and residential settings, as long as such care or support is necessary, meets an adequate level of quality, is cost-effective, is consistent with the individual’s values and preferences, and can be provided with available resources.”

Judith noted that eligible individuals in Family Care counties have choice about whether to enroll in Family Care or to stay in the Medicaid fee-for-service system. The same is true for PACE and Partnership programs. Four handouts described the Resource Allocation Decision (RAD) method for making decisions about services provided to members. The first step in this process is identifying outcomes desired by the individual. The second step is to identify options that would be effective in meeting those outcomes. The third step is to identify which of those options are the most cost-effective. (See handouts for more information about RAD.)

Judith also distributed a handout showing results of several rounds of member outcome interviews in Family Care, showing the extent to which 1) reviewers found that members’ identified outcomes were actually present and 2) care managers had put in place the supports to enable achievement of those outcomes. Paul Cook observed that what really matters is the degree to which consumer centeredness is a part of the culture of the care management organization (public or private).

Committee business

- The minutes of the meeting of November 5, 2004 were approved unanimously.
- A revised budget for the CSC grant has been submitted to CMS. It reduced expenditures for local grants and for infrastructure building. Kathleen Luedtke will serve as project manager.
- The issue of liability insurance availability and cost should be on a future agenda for the committee.
- George thanked Mary Kennedy for all her hard work with the Council and the committee, and everyone wished her well on the occasion of her retirement.

Meeting adjourned at approximately 2:15.