



# Family Care

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## Wisconsin's Long Term Care Redesign Initiative

January 29, 2008



## Mid 1990's

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- Need to Redesign Long Term Care
  - Cost
  - Complexity
  - Inequities
    - 13,000 on Waiting Lists
  - Age Projections

# Age Projections

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- ❑ 1980 - 500,000 over 65 in Wisconsin
- ❑ 2020 - 1,000,000 over 65 In Wisconsin
  
- 2020 - 1/6 of Wisconsin will be over 65 yrs of Age
  
- ❑ 1990 - 73,487 over 85 in Wisconsin
- ❑ 2010 – 125,758 over 85 in Wisconsin



# 1998 Family Care Introduced

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- Governor Thompson Proposed to Legislature in January 1998
- Legislation Passed as Part of 1999-2001 biennial budget bill
- Physical Disability, Frail Elderly, Developmental Disability
- 5 Pilot Counties Named (FonduLac, LaCrosse, Milwaukee, Portage & Richland)



# Regionalization

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- Spread Risk Pool Among Larger Populations, State Administration Ease.
- Southwest Wisconsin Care Management Coalition (SWCMC)
- Crawford, Grant, Green, Iowa, Juneau, LaFayette, Richland & Sauk.





# Primary Components

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- **A**ging and **D**isability **R**esource **C**enter
  - Single entry point where older people and people with disabilities can get information and advice about resources available.
  
- **M**anaged **C**are **O**rganization
  - Manages and delivers the new Family Care Benefit combining funding from a variety of existing programs into one flexible long-term care benefit.



## Aging & Disability Resource Center

- Is funded with State and Federal money

**NO MANDATE FOR LOCAL  
MATCH**



## Aging & Disability Resource Center

- Is focused on Customer Service
- Is Welcoming to All
- Is a trusted Source of Information, Assistance and Advocacy
- Is Responsive to the Unique Needs of Each Consumer
- Is Highly Visible in the Community



# Aging & Disability Resource Center

## Target groups:

- **Elderly**
- **Physically Disabled**
- **Developmentally Disabled**
- **Individuals with Mental Health issues**



# Aging & Disability Resource Center

## Core Services:

- Information & referral to services, programs & public benefits
- Assistance in getting connected to needed resources
- Providing short-term case management
- Outreach and public education
- Transition services for young adults with disabilities



## Aging & Disability Resource Center Core Services "continued"

- Access to elderly and disability Benefit Specialists (EBS & DBS)
- Connection to emergency services
- Prevention and early intervention
- Options counseling
- Pre-admission consultation
- Family Care Eligibility determination and Enrollment

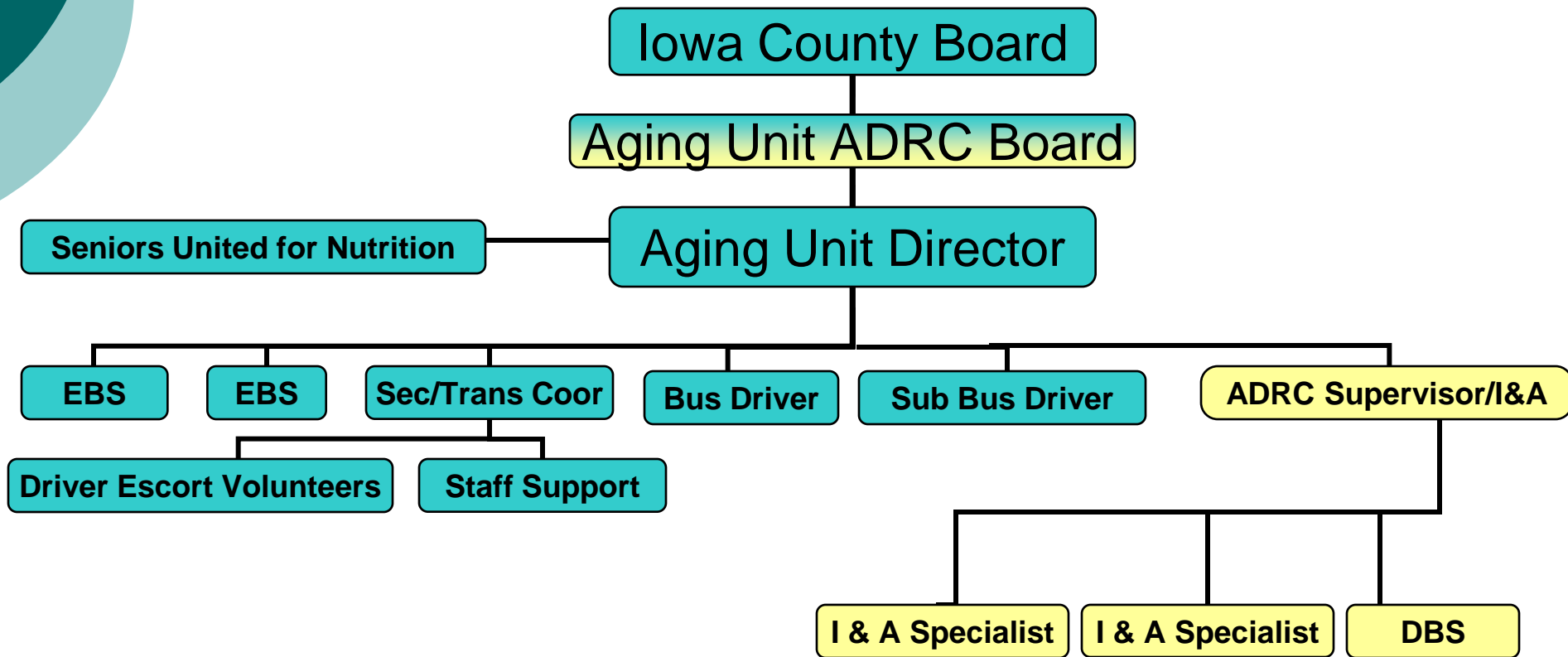


## Aging & Disability Resource Center

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# How it will look in Iowa County





# Managed Care Organization

Manages and delivers the new Family Care Benefit combining funding from a variety of existing programs into one flexible long-term care benefit.



# Who would the managed care organization serve?

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- Elders
- Adults with physical disabilities
- Adults with developmental disabilities

# What's in the "Benefit Package"?

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- **Adaptive Aids**
- **Adult Day Care**
- **AODA Services\***
- **Care Management**
- **Communication Aids**
- **Community Support Program\***
- **Consumer Education and Training**
- **Daily Living Skills Training**
- **Day Services & Treatment**
- **Durable Medical Equipment\***
- **Home Health and Nursing Services\***
- **Home Modifications**
- **Housing Counseling**
- **Home Delivered Meals**
- **Disposable Medical Supplies\***

**\* Typically paid for by Medicaid Fee for Service**

# What's in the "Benefit Package"?

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- **Mental Health Services/Counseling\***
- **Therapeutic Resources**
- **Nursing Facility\***
- **Occupational Therapy\***
- **Personal Care\***
- **Personal Emergency Response System**
- **Physical Therapy\***
- **Prevocational Services**
- **Residential Services**
  - **RCAC's**
  - **CBRF's**
  - **AFH's**
- **Respite Care**
- **Speech and Language Pathology\***
- **Supported Employment**
- **Supportive Home Care**
- **Transportation\***

**\* Typically paid for by Medicaid Fee for Service**



## What's not in the Benefit Package?

- Acute and Primary Care
- Medications
- Dental
- Chiropractic



# How are services provided?

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- The managed care organization will primarily provide services through a Purchase of Service Contract or Agreement with local businesses and agencies
  - In 2006, the Richland CMO paid over 110 area businesses and agencies for services or products for CMO members

# How does the managed care organization receive funds for the services?

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- Managed care organization will receive a per member per month payment for each person who “enrolls” or chooses to receive services from the MCO.
- The monthly payment is a combination of State and Federal money

# What is the growth potential of the Southwest Wisconsin Care Management Coalition?

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- The Coalition could grow to the point of providing services to approximately 3,400 people in Southwest Wisconsin
- The monthly budget could exceed eight million dollars with an annual budget of just under one hundred million dollars.

## What if the per member per month payment does not cover expenses?

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- By contract, the managed care organization **MUST** provide services to any eligible person who chooses to enroll
- By contract, the managed care organization **MUST** provide **ALL** services in the benefit package the person needs in a timely manner
- If the costs exceed revenues, the managed care organization is at risk (more about this later).



## MCO Governance (handout)

- Long Term Care District (WI 46.2895)
  - Local Unit of Government
  - Separate, Distinct and independent of Counties
  - Obligations of District are Not Obligations of Counties
  - Contract back to counties for CMO services
  - County Board Appointment of Member(s)
  - Dissociation (90 days minimum)

# MCO Finances

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- 2006 Expenditure Amounts (handout)
- Taken from Basic County Allocation
- Iowa Counties \$109,290 will be deducted annually from current state allocation of \$582,861 to Unified Community Services
- Unified will recoup lost revenue through contracting with district as a MCO provider.



# MCO Finances

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- Capitation Rate – amount per member per month (\$2360 - 2008)
- Richland Center has been Fiscally Solvent in 6 out of 7 years
- Working Capital, Risk Reserve & Solvency Fund
- Fiscal Liability (County vs. State)



## Draft Resolution (handout)

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- Authorizes Developing Necessary Documents to Create Long Term Care District
- Authorizes Applying with DHFS to Operate a Regional MCO
- Not binding until Long Term Care District formed and approved (April)



# Conclusion

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- Discussion/Questions?