
Family Care: Rebalancing Wisconsin's LTC System

Missouri Association of County Developmental
Disabilities Services
July 25, 2008



Overview of Managed LTC in Wisconsin



History of HCBS in Wisconsin

1981 - state-funded Community Options Program

1983 - Community Integration Program waiver for developmentally disabled

1985 - Community Options Program waiver for elders and physically disabled

1995 - waiver for brain-injured



Redesigning the system

1995 - concerns about access, complexity and institutional bias

1996 - 1998 – stakeholder process involving hundreds of consumers, family members, providers, and advocates

1995 - proposed a new Medicaid managed long-term care model

2000 - first contract with 5 county-based MCOs serving about 2,200 former waiver participants



Why Family Care?

Goals of redesign of our LTC system:

- **Access** – Improve people's access to services
- **Choice** – Give people better choices about the services and supports available to meet their needs
- **Quality** – Improve overall quality by focusing on achieving people's health and social outcomes
- **Cost-effectiveness** – Create a cost-effective LTC system for the future



Who benefits from Family Care?

Family Care Target Groups:

- Elderly people
- Adults with physical disabilities
- Adults with developmental disabilities

(People with mental health or substance abuse Problems if they are also in these target groups)



What is Family Care?

- A managed care approach to the delivery of LTC
- Aging and Disability Resource Centers (ADRCs) provide access to information and assistance
- MCOs contract on a risk-based capitated basis to deliver one of the Family Care benefits:
 - Family Care
 - Family Care Plus
 - Family Care Partnership



What are ADRCs?

- “One-stop shop” for LTC info and resources
 - All target groups
 - No charge regardless of income
- Outreach to all (85/15)
- Give people info to make smart decisions:
 - what LTC services best meet their needs
 - how to best use their own money wisely
- Access to publicly-funded LTC
- Connect people at risk to immediate services



What are MCOs?

- Public or private organizations that contract to provide a Family Care benefit
- Support elders and people with disabilities to get the services and supports that will:
 - Meet their personal results (outcomes)
 - In a way that's cost-effective

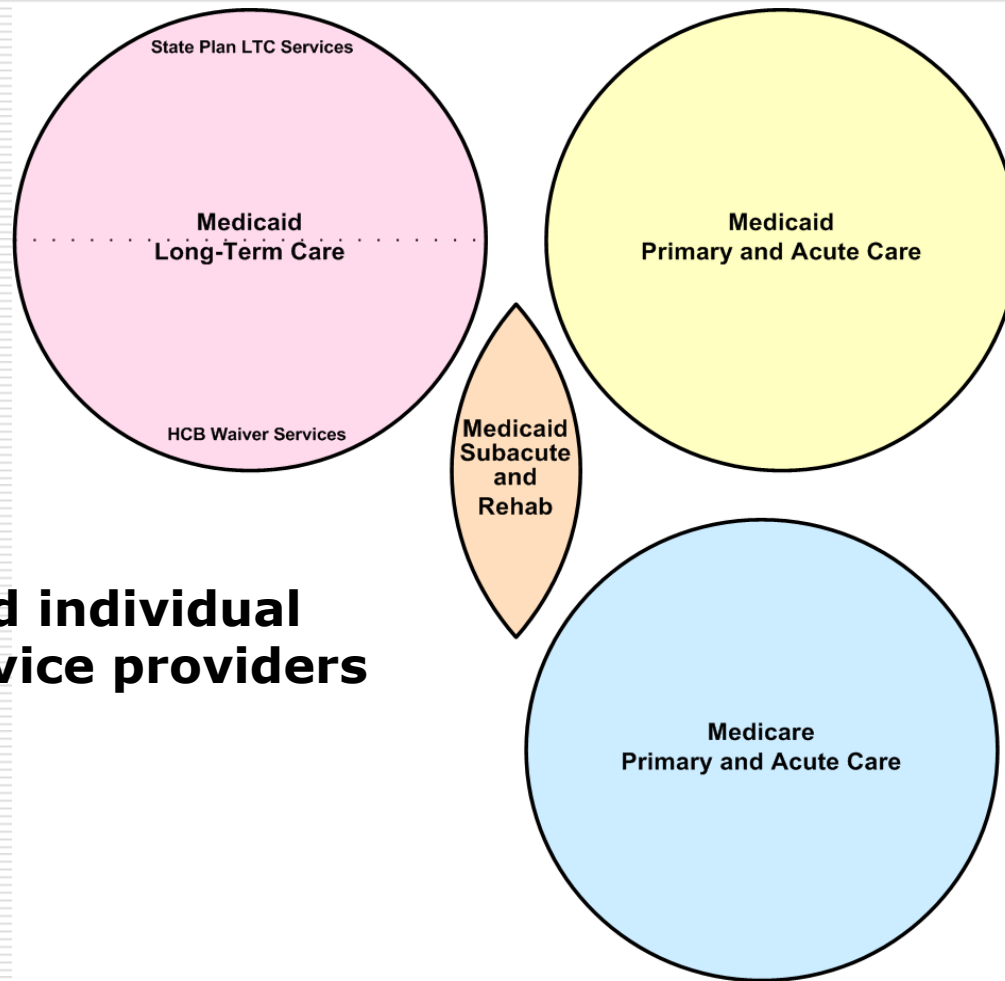


What MCOs do

- Help members identify the results they want
- Involve members in building a plan for services focused around their outcomes
- Provide directly or purchase services and supports in the service plan
- Coordinate LTC services with the member's physician and other medical care
- Make sure services meet expectations for quality and timeliness



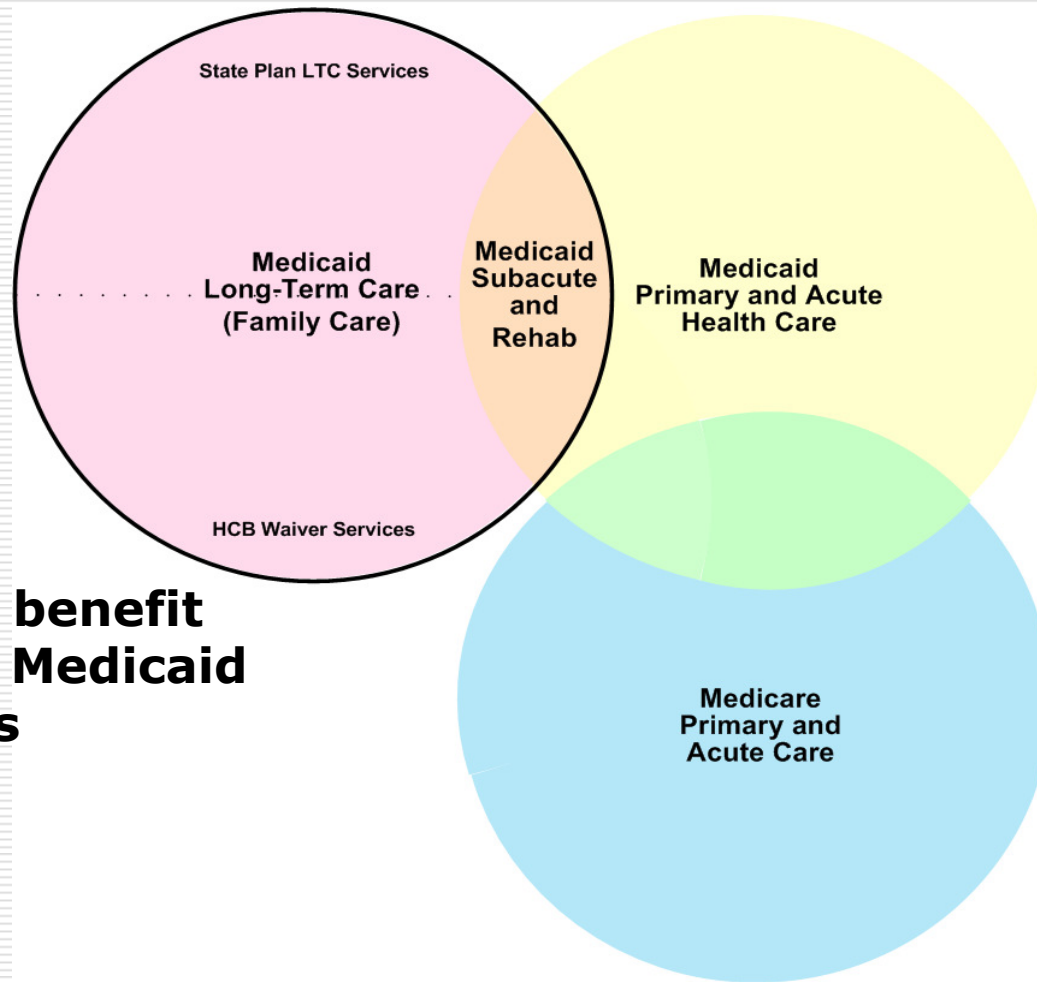
Traditional fee-for-service benefit



**Fragmented individual
fee-for-service providers**



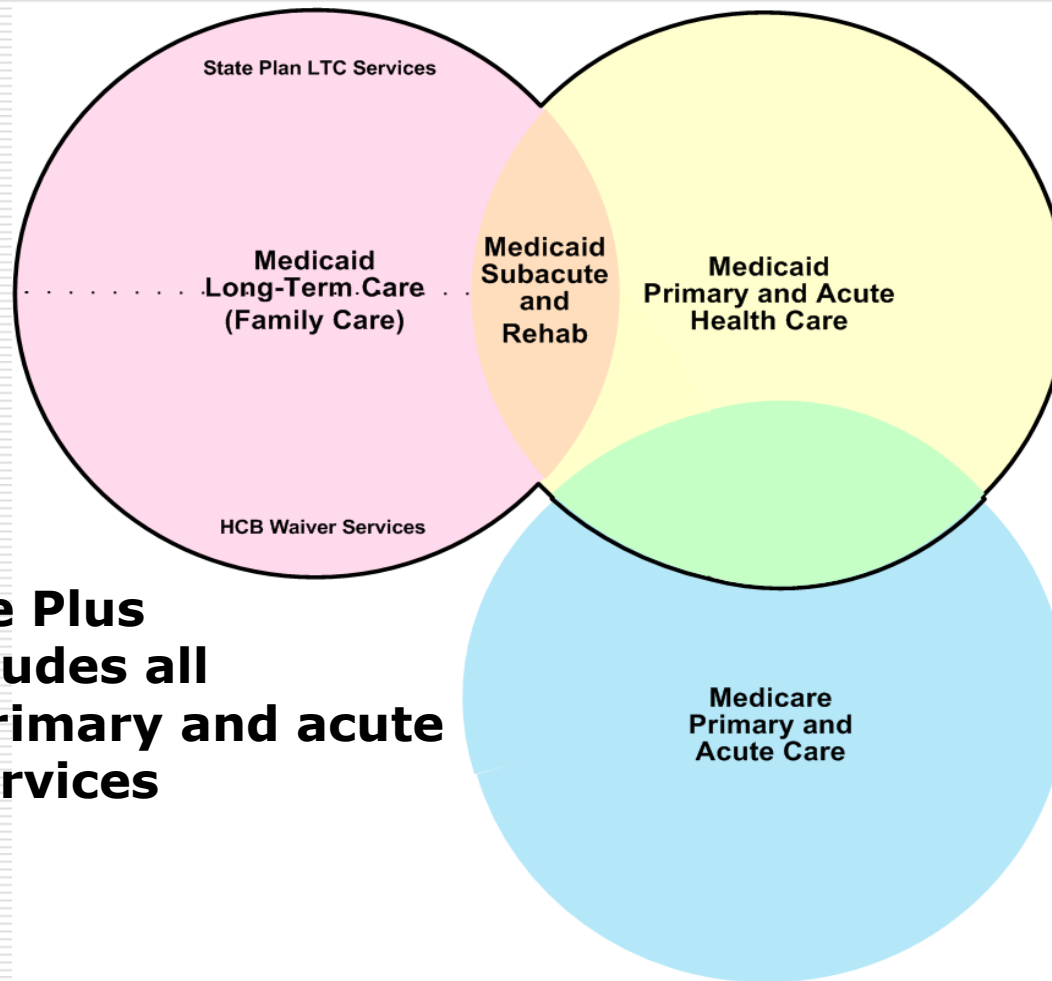
Family Care benefit



**Family Care benefit
Includes all Medicaid
LTC Services**



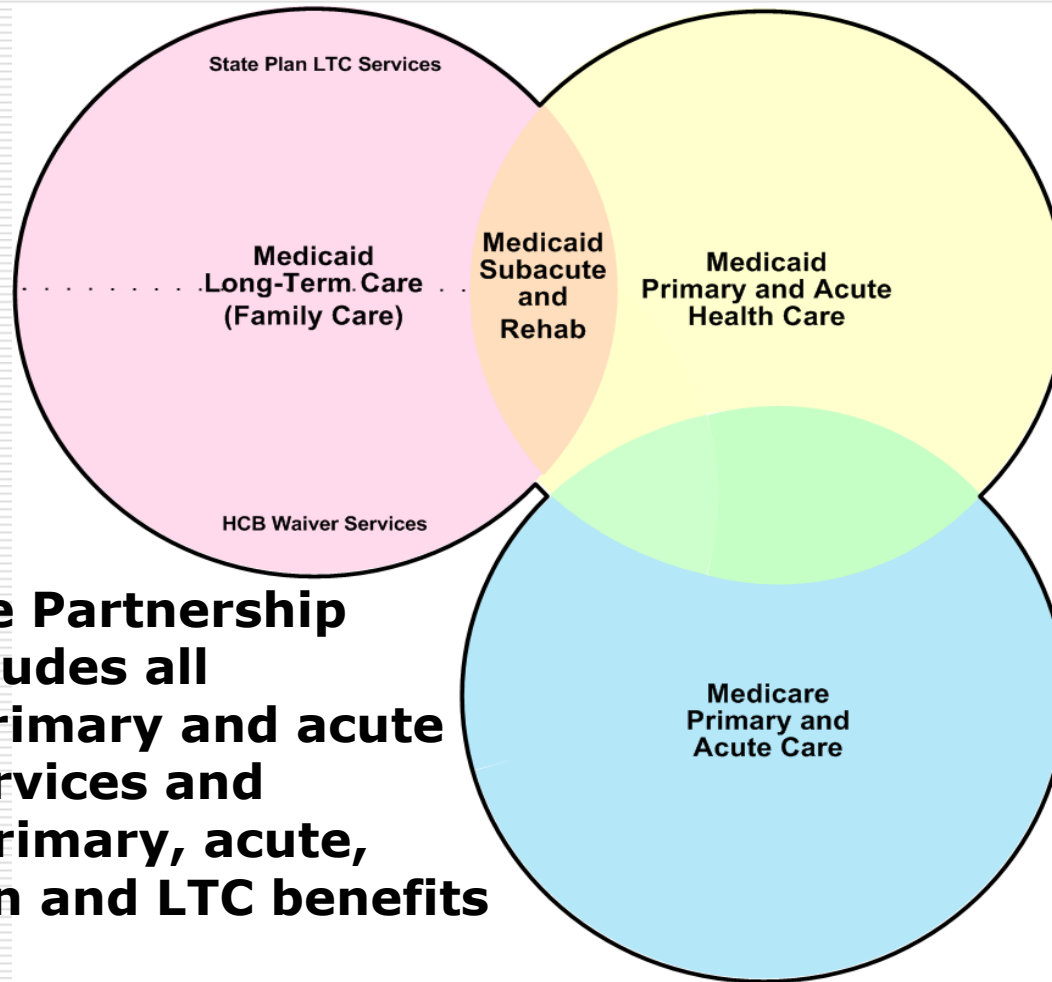
Family Care Plus benefit



Family Care Plus benefit includes all Medicaid primary and acute And LTC Services



Family Care Partnership benefit



Family Care Partnership benefit includes all Medicaid primary and acute and LTC services and Medicare primary, acute, prescription and LTC benefits



Federal authority

- Two s. 1915 (c) HCBS waivers for all MLTC
 - Nursing home diversion - elders and PD
 - ICF-MR diversion – DD
- Family Care adds a s. 1915 (b) freedom of choice waiver and PIHP contract for Medicaid LTC “card” services
- Family Care Plus adds a s. 1932 (a) Medicaid State Plan amendment for all Medicaid
- Family Care Partnership adds Medicaid SPA and Medicare SNP and PDP
- Fee-for service alternative – SDS waiver



Program design

- Person-centered: identify and support consumer-defined outcomes
- Use of interdisciplinary teams to address health, LTC and social needs
 - Family Care – social worker, nurse and other professionals as needed
 - Partnership – adds nurse practitioner and member's doctor
 - PACE – adds nurse practitioner and program doctor
- Managed care approach - RAD



Family Care Outcomes

- I decide with whom and where I live
- I make decisions about my supports and services
- I decide how I spend my day, including work if I want
- I have relationships with family & friends I care about
- I do things that are important to me
- I am involved in my community
- My life is stable
- I am respected and treated fairly
- I have privacy
- I have the best possible health
- I feel safe
- I am free from abuse and neglect



Individual Outcome Examples

- I want to take a bath every day
- I want to feel safe in my home
- I want to visit my daughter every week
- I want to get in and out of my home by myself
- I want to be able to drive myself to the store
- I want to remember to take my medications
- I want to get a part-time job so I can meet people and have more spending money
- My house is too big and I need help to find a place that I can manage on my own



RAD

<http://dhs.wisconsin.gov/ltcare/ProgramOps/RAD.HTM>

- Resource Allocation Decision-making
- Used by the care management team
- A common sense approach to answering:

What's the most

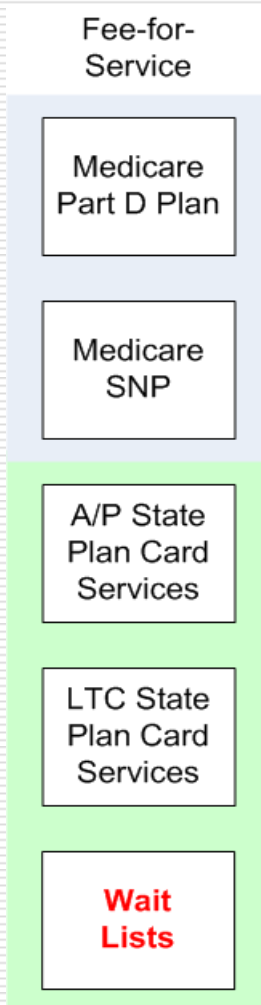
3 cost-effective 2

way to meet

1 this individual's outcomes?



LTC Options – Before Family Care



LTC Options – After Family Care



Self-Directed Supports

In Family Care, Plus or Partnership

- You direct some or all of your services and supports
- Budget for the services you direct is based on what the team would otherwise authorize
- Your team approves your plan
- Fiscal agent pays for services you authorize
- Your team will support you to self-direct
- You can hire a support broker



Self-Directed Supports (continued)

Self-Directed Services Waiver – Available when Family Care is available after July 1, 2008

- Direct all of your waiver services
- Long-term residential services not currently available
- Budget based on similar people's costs in Family Care
- Independent consultant approves your plan
- Fiscal agent pays for services you authorize
- You can hire a support broker



Rate setting

<http://dhs.wisconsin.gov/ltcare/StateFedReqs/CapitationRates.htm>

- Actuarially sound projection of costs of benefit
- Based on past expenditures trended forward
- Costs are associated with functioning
 - LTC functional screen
- Individual MCO rates are built from these projected costs of actual enrollees (actual case mix)
- Adjusted at year end for:
 - Cost share (PETI)
 - Case mix at year end
 - High cost ICF-MR relocations
 - High cost ventilator-dependent enrollees



LTC functional screen

<http://dhs.wisconsin.gov/ltcare/FunctionalScreen/INDEX.HTM>

- Automated tool for assessing level of care
- Screeners, certified by DHS, verify and input:
 - Diagnoses / health conditions
 - ADL/IADL deficits
 - Behavioral challenges
 - Other risk factors
 - Current level of informal supports
- The screen determines:
 - Nursing home/ICF-MR level of care
 - Family Care eligibility
 - SDS waiver eligibility



Program Websites

ADRCs

<http://dhs.wisconsin.gov/lcicare/generalinfo/rcs.htm>

Family Care

<http://dhs.wisconsin.gov/lcicare/>

Family Care Partnership

<http://dhs.wisconsin.gov/wipartnership/>



Wisconsin's Managed LTC Expansion Update July, 2008



What's ahead?

- Governor's goal
 - Statewide implementation in 5 years
 - 2.5 years remain
- Implementation within current budgets
- Focus now:
 - 2008-11 planning and implementation, and
 - Planning for the next biennial budget (09-11)



Governor's expansion goals

- Give people choices about where they live and the care they receive
- Simplify access to services and funding structure
- Prepare for the aging of "baby boomers"
- Promote wellness – prevent need for expensive care
- Promote planning and responsibility for LTC needs
- Control and better manage public costs
- Increase options for self-direction of services and supports

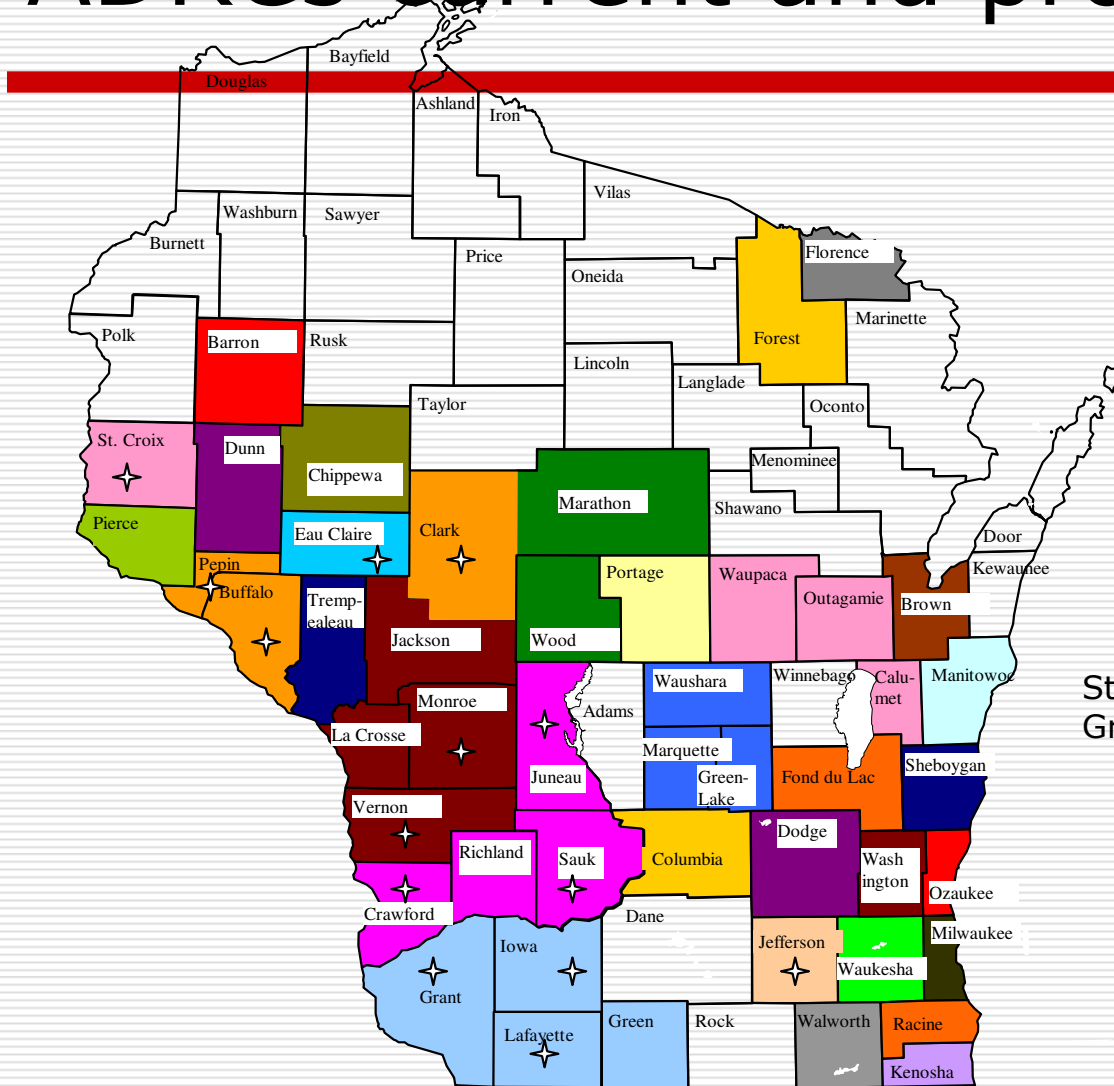


Governor's expansion goals

- Family Care is the statewide LTC service delivery system
- Elimination of waiting lists for community services
- Family Care is basic benefit available everywhere
- Family Care Plus and Family Care Partnership available where MCOs apply
- Entitlement to Family Care and any other managed LTC benefit two years after Family Care starts in a service area



ADRCs current and proposed



June 2008

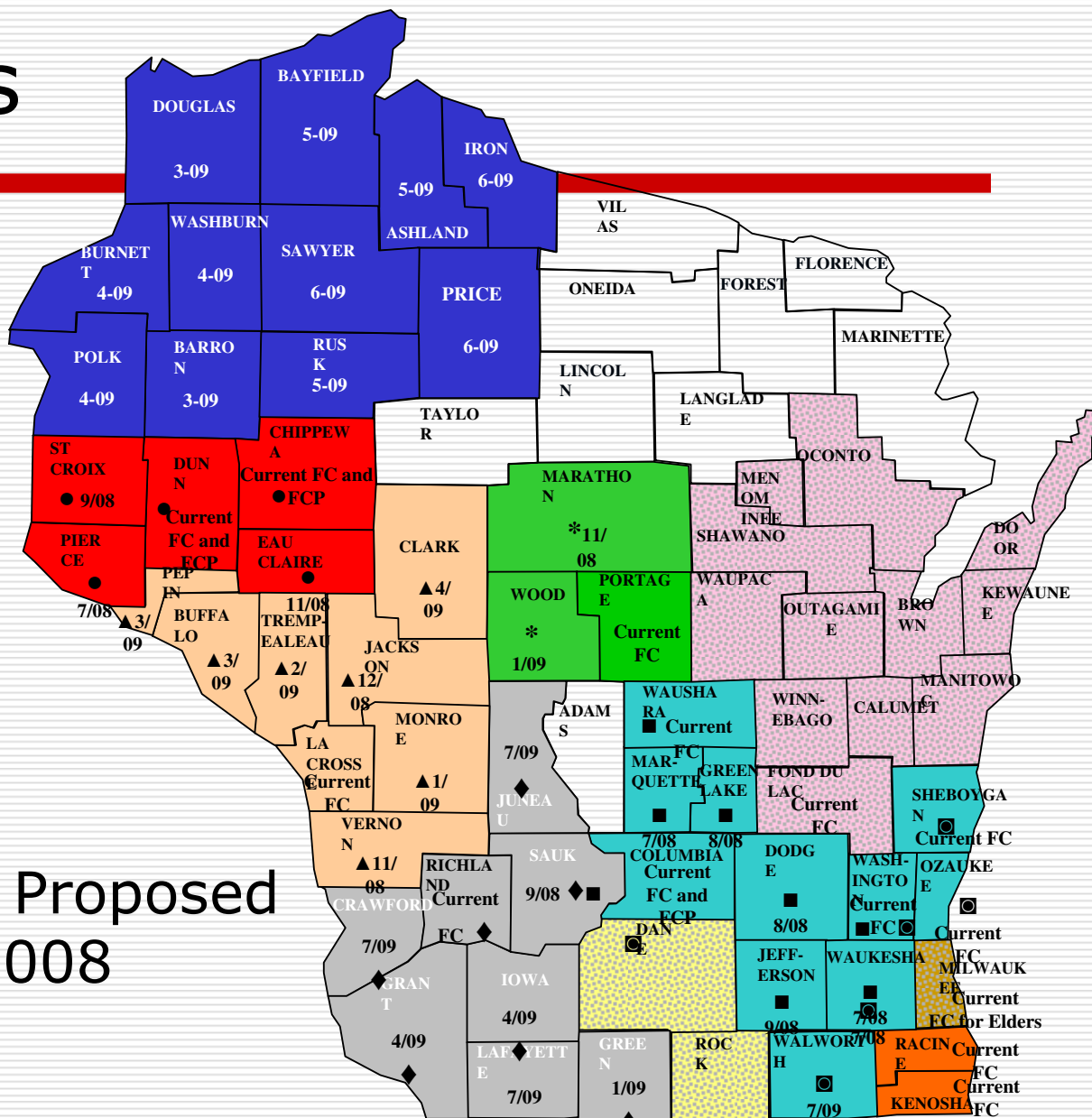
In operation
= 26 in 31 counties

In planning stages
= 9 in 13 counties

Star = application submitted
Grey = letter of intent to apply received



MCOs



Current and Proposed
June 2008



MCO Enrollment – June 2008

| | |
|---------------------------------------|---------------|
| Frail Elders | 11,504 |
| Persons w/ Developmental Disabilities | 2,920 |
| Persons w/ Physical Disabilities | 2,658 |
| Total | <u>17,082</u> |
| | |
| Family Care | 13,386 |
| Partnership | 2,848 |
| PACE | 848 |
| Total | <u>17,082</u> |



Why Managed LTC?

Current System

- FFS not coordinated, no safe-guards against gaps & overlaps
- Immediate entitlement to nursing home care; wait list for community care
- Inflexible services
 - NHs bundle services regardless of need
 - Waivers have limited benefit package

Family Care

- Managed care, with incentives for quality and cost
- Immediate entitlement to long-term care suitable for individual needs
- Single, expanded, flexible benefit package



Why Managed LTC? (continued)

Current System

- Waiver social worker care management
- Assessment limited to need for waiver services
- Health care rarely coordinated with waiver
- LTC 'card services' not coordinated with waiver services.

Family Care

- Social work and nursing care management
- Comprehensive assessment and care planning
- Coordination with health care providers required
- Control, responsibility for all LTC services under one local agency



Planning for Expansion

- 10 Planning Grants – \$100,000 - \$250,000
- Planning groups include public agencies (counties) and private agencies
- Planning started in February 2006 and will end in late 2007 or early 2008
- Each group is planning for ADRC and start of managed LTC at its own pace



Planning for Expansion

Different planning strategies:

- Multi-county ADRC with satellite offices
- Service areas with more than one MCO
- Establishing satellite MCO offices
- Partner with existing Family Care or Partnership MCO
- Multi-county MCO governed by LTC District
- LTC integrated with health care (Partnership)
- Private MCO contracting for county care managers



Funding for Expansion

- Capitation to MCOs Medicaid and state match
 - Transfer state waiver money
 - Transfer state Medicaid card money
- Partnership also gets Medicare capitation directly from federal CMS
- Counties contribute
 - Based on their 2006 contribution of local funds toward waiver participants
 - Reduced over the first 5 years each county participates



Family Care is cost-effective

Independent assessment found Family Care:

- Maintained health and functioning longer
- Reduced use of institutions
- Average savings \$452 per person per month

See:

<http://dhs.wisconsin.gov/ltcare/ResearchReports/IA.HTM>



Family Care cost model

- Number of persons who will enroll
- ×
- Total cost to Medicaid per person
- =
- Total costs
- compared to
- Available revenue
- =
- Net cost/savings



Projected costs: enrollees

- Total: 43,600 enrollees
 - 20,000 - current waiver participants:
 - 20,000 - community Medicaid recipients with LTC needs, including waiver waitlist individuals
 - 1,100 - relocations from nursing homes/ICF-MRs
 - 2,500 - new to Medicaid because of FC availability



Projected costs (in millions)

| | <u>AF</u> | <u>GPR</u> |
|---------------------------|-------------------|---------------|
| Waiver participants | \$656 - \$666 | \$277 - \$281 |
| Other Medicaid recipients | \$476 - \$486 | \$201 - \$205 |
| Nursing home relocations | \$34 - \$35 | \$14 - \$15 |
| New to Medicaid | \$56 - \$58 | \$23 - \$24 |
| Total Costs | \$1,222 - \$1,245 | \$515 - \$525 |



Projected revenue (in millions)

| | <u>AF</u> | <u>GPR/ County</u> |
|------------------------|-----------|------------------------|
| MA non-Waiver Revenue: | \$561 | \$237 |
| Waiver / COP Funding: | \$381 | \$161 |
| Community Aids: | \$112 | \$47 |
| County Levy: | \$186 | \$78 |
| Total Revenue | \$1,240 | \$523 |



Projected net cost (in millions)

Budget Neutral!

| | <u>AF</u> | <u>GPR</u> |
|---------------------------|-------------------|---------------|
| Total Costs | \$1,222 - \$1,245 | \$515 - \$525 |
| Total Revenue | (\$1,240) | (\$523) |
| Total Net Costs/(Savings) | \$5 – (\$18) | \$2 – (\$8) |



Information Opportunities

Managed Care Expansion Website

<http://dhs.wisconsin.gov/ManagedLTC/>

Managed Care Expansion LTC Listserv

<http://dhs.wisconsin.gov/ManagedLTC/grantees/Listserv.htm>

Critical Components of Managed Care Webcasts

<http://dhs.wisconsin.gov/ManagedLTC/grantees/webcasts/index.htm>

