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TALKING POINTS FOR THE MENTAL HEALTH BUDGET PACKAGE

A Proposal for Legislative Budget Priorities

1. **Medical Assistance Funding for Community Support Programs**

   - *Community Support Programs (CSP's)* are the treatment programs of the adult mental health system for persons with serious and persistent mental illness.

   - Currently, counties pay the "state share" (about 40%) of the cost of this benefit. This has created a ceiling for the benefit resulting in lists of people with serious and persist mental illness who are waiting for treatment. This is illegal under Federal Medicaid law.

   - *The problem of illegal waiting lists for treatment of people with mental illness has become so serious that lawsuits are under consideration by the Wisconsin Coalition for Advocacy.*

   - The National Alliance for the Mentally Ill (Nami) supports state funding for the "state share" of the Medical Assistance Community Support Programs benefit.

   Cost: Current caseload – 10.7 million annually
   New caseload - $400,000 in FY 02; $1.9 million in FY 03

2. **Medical Assistance Funding for Comprehensive Community Services**

   - *Comprehensive Community Services (CCS) is a Medical Assistance treatment option that was adopted by the Legislature in the last biennium, but has not yet been implemented by the Department of Health and Family Services.*

   - It provides a wraparound approach for adults and children and a level of service that is between traditional outpatient care and the more intensive level of service provided by Comprehensive Community Services.

     Comprehensive Community Service is a service that furthers the goals of the Governors Blue Ribbon Commission on Mental Health.

     Like Community Support Programs the counties are required to pay the "state Share" of the Comprehensive Community Services Medical Assistance.
     The National Alliance for the Mentally Ill urges the state to pay the "state share".

3. **Community Based Mental Health Services for Children with Serious Mental Illness**

   - Currently approximately 28 Wisconsin Counties receive state funding for integrated services projects for children with serious mental illness. Additional counties have received federal funding for such services.

   - These programs have been effective in reducing the need for inpatient care and juvenile justice placements.

- However 40 counties do not have such programs.

- Early treatment and diagnosis will minimize the disabling effect of mental illness, leading to better functioning and futures for young people.

- The National Alliance for the Mentally Ill (Nami) requests that at least half of the new federal Mental Health Block Grant funds be earmarked for children's Community based mental health treatment and that additional GRP be provided to expand integrated services projects statewide.

Staff within the Bureau of Community Mental Health is also needed to ensure that programs are implemented. We are requesting 1.5 FTE staff positions, with at least .5 FTE of these positions being a parent of a child with severe emotional disturbance.

Proper funding of the above-described services will also achieve goals which the National Alliance of the Mentally Ill Wisconsin feels are of paramount importance in two areas:

a. *The County Jail System:* Proper treatment will enable counties to address the serious problem of the growing number of people with mental illness in the jail system by diverting people appropriately from the *"front end" of the system.* These people with mental illness will be able to receive treatment rather than incarceration. Proper funding will enable counties to deliver appropriate mental health services to persons coming out of the jail system who have been identified as having serious mental illness, thereby helping with the "revolving door" problem.

b. *The transitioning of the Youth from the Juvenile Mental Health System to the Adult system:* Improved systems will be able to place youths into effective treatment programs as the age out of juvenile programs. This transition s situation has been identified as a major problem by advocacy groups and By the Bureau of Community Mental Health.

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4. **Consumer and Family Support Services:**

- The DHFS has provided Mental Health Block Grant funds for consumer operated services and for the family support and advocacy programs for several years. These programs run drop-in centers, consumer education and employment services, and family information and peer support services.

- The National Alliance for the Mentally Ill feels that the need for these programs far outstrips the amount of funds available. We request that $400,00 per year of federal Mental Health Block Grant Funds be earmarked for these purposes.

Cost: $400,000 per year of Federal Mental Health Block Grand Funds.

5. **Additional Funding and Legislative Requests:**

   a. An *Independent Advocacy Program for the Managed Care Demonstration Projects.*

   b. *Prescription Drug Coverage for People with Disabilities:* This is a major *Issue* for persons with mental illness who must take costly medication in order to maintain their mental health and ability to function.

   c. *Mental Health/Substance Abuse Health Insurance Parity.*

Testimony to the Joint Finance Committee
Support for Public Health System Funding

My name is Glenn Mueller . I am speaking on behalf of the Wisconsin Environmental Health Association (WEHA) to encourage your commitment to the health of your constituents by supporting Public Health in Wisconsin. Public Health is primarily focused on prevention; prevention of disease, prevention of unhealthy lifestyles, prevention of exposure to environmental contamination. As such, public health professionals partner with civic groups, businesses and the medical community to assure that all segments of the population have access to adequate health care, as well as education about health risks related to lifestyles or environmental conditions.

While every county in Wisconsin has access to public health nursing programs, only 31 of the 72 counties (and 6 additional cities) also have access to local environmental health programs. Environmental health is an integral part of a full-service Public Health program. Environmental issues of local concern include indoor and outdoor air problems, lead and asbestos exposure, general nuisances, insect and rodent problems, rental property and building hazards, solid waste problems, cleanup of drug houses, food protection, groundwater protection, as well as increased surveillance and education for licensed establishments such as restaurants, swimming pools, and lodging establishments. An Environmental Health program is recognized as a valued service in all communities, a fact that is reflected by the recommendation for an environmental health presence in all communities by the State Health Plan for 2010.

The state of Wisconsin currently does not provide any general purpose revenue funding for Public Health services. Therefore all of the wonderful public health services available to the residents of Wisconsin, such as immunizations, communicable disease monitoring, foodborne & waterborne disease investigations, etc. are the result of local tax support or fees for service. Residents that do not live in a community with local environmental health programs must call to state agencies for answers to their immediate concerns, and all too often must wait days or weeks for answers or investigations into the problem.

Although the public health system has been adequate in the past, there is a need to modernize, revitalize and transform the system in Wisconsin to address the current and emerging health problems in this state. This includes the need for environmental health services. The best way to provide these services cannot be determined without a comprehensive community assessment.

The Wisconsin Turning Point initiative was developed by the Department of Health and Family Services as a means of addressing the challenges to the public health system in the 21st century. A key element of this initiative is a comprehensive community assessment and planning process. This process is an integral component of determining what resources are available in every community, linking those resources and assuring access to every segment of the community.

The public health funding that is provided at the local level is not adequate to support the necessary planning process in addition to supporting the actual day to day public health services. The changing role of public health cannot be achieved without funding from the State. Assessment and planning is a critical step in improving the health of Wisconsin's citizens, those folks back in your districts.

Therefore, I am asking you to make a commitment to the health of Wisconsin's citizens for now and the future by investing 50 cents per capita in the first year and 1 dollar per capita in the second year of the biennial budget to fund the Public Health assessments and planning that will provide the basis for allocating the local efforts and resources to best use, and to the benefit of the health of all Wisconsinites

MEET ANTONIO

Mom did everything right: Prenatal care from the 1st month; regular check ups, but in her 4th month of pregnancy she was placed on bedrest, and by 29 weeks she was the mother of two boys who weighed 3.4 lbs each.

"I would have been lost (with out the Birth to 3 Program).....I would have been wondering why they weren't doing all these things. They were so LITTLE when they were born....Now I can't keep up with them!

I'm still trying to get why they would cut funding. These kids (special needs kids) need this!"

Antonio is now 18 months old, and weighs considerably more than 3.4 lbs! He is taking steps independently, and claps when he is pleased with himself. He's finally starting to play "give & take" games and is able to do things most 13 month olds can do....which means he's still has work to do – and he does it with a big smile and free hugs for all.

ANTONIO

10 Reasons Why Regional Service Delivery Centers are not Needed…

- WDVA's flawed analysis of the potential unclaimed compensation dollars greatly exaggerates the number of successful claims that potentially exist.

- Their analysis ignores the most likely effects of military retiree demographics and historic economic factors in depressing VA spending in the state. Per capita VA spending is down in all states where there are few retirees and high median incomes.

- WDVA analysis also ignores the fact that 18 million WWII and Korean War veterans service medical records were burnt in the July 12, 1973 National Personnel Records Center fire, making unclaimed service related disability claims by half of the veterans living in the state virtually impossible to win. The VA requires these medical records as proof the disability began in service. Those who filed a VA compensation claim before 1973 have records. Those that didn't are generally our of luck.

- All new veterans since 1990 have been redundantly contacted by the military, WDVA and CVSO's about their compensation rights and responsibilities. There is no need for a new bureaucracy to inform these veterans and future veterans of their rights.

- This leaves only uninformed Vietnam veterans and peacetime veterans with any medical records to substantiate future new disability claims. There are very few peacetime disability claims and Vietnam veterans in the state seem to be already statistically well represented among those who are already receiving VA compensation. There is not much business here either.

- A CVSO Association promoted temporary outreach program, characterized by a WDVA funded, locally directed mass media prime time commercial advertising campaign, is sufficient to reach that small remainder of veterans who may have legitimate disability claims not yet filed, AND, who are unaware that they can file a disability claim many years after serving in the military.

- The most promising area where VA disability spending might be improved in the state is to have veterans, who already are getting VA compensation, to ask for a reevaluation exam. If their conditions have worsened, they get more money from the VA. It's that simple. We don't need a new state bureaucracy to reach these people either. We need temporary project workers to help search through existing state and county records and private VSO records to contact each service disabled veteran, who is already getting VA compensation and advise them that if their disabilities are worse they can automatically get a reevaluation exam from the VA – no questions asked.

- Assuming that the current triple level DOD (TAP/ DTAP), WDVA and County Veterans Service Officer redundant outreach efforts continues for all veterans from 1990 onward into the distant future, it can safely be assumed that there will be not be a special need for a new bureaucracy to reach current and future veterans. After a person has been informed of their veterans rights three times, an element of personal responsibility must be exercised by these veterans. To paraphrase, "You can lead a veteran to veterans benefits information, but you can't make them apply".

- With 1,100 WWII veterans dying daily, a new permanent state veterans bureaucracy is not needed as the veterans population will gradually shrink by almost half over the next 10 -15years.

- The WDVA should not permanently commit Veterans Trust Fund dollars to a permanently expanded WDVA payroll to meet a small and shrinking need for additional outreach. Trust Fund dollars should be going instead to fund existing WDVA programs that will be of direct and immediate help to veterans.

Burke

Thank you Senators Burke and Gard and members of the Joint Finance Committee for the opportunity to speak today.

Over the past few months, the crisis that exists in nursing homes has been brought to the forefront.

The BDO Seidman study, an independent study using the state's own data, summarized the serious financial distress Wisconsin nursing homes are in. 47 of the state's nursing homes are in bankruptcy. A great many others are just a step away. 83% of homes do not receive payment rates that even meet the cost of providing care. Imagine the state soliciting bids to any contractor, offering only to pay 75% of the costs. Add to that thousands of rigorous mandates and regulations, and I'm sure you would agree that there would be no bidders. Why then does the state feel it is acceptable to reimburse nursing homes in this manner? Currently, the state is paying facilities one million less than the cost facilities incur in providing that care. I believe that this is truly a dereliction in the state's contractual obligation to nursing homes who are providing care to the T19 residents.

At Care-Age of Brookfield, we lose approximately $35.00 per day per T19 patient. Based on our 2000 T19 cost report, this will result in an annual loss of $483,000 from the T19 program. Adding insult to injury, I received our rate calculation for 2001 to learn our T19 rates have actually gone down by approximately $1.00 a day. The state now reimburses the equivalent of $4.81/hour to take care of skilled patients.

How can this happen you ask? Care-Age expenses in 2000 were approximately $382,000 greater than in 1999. Most of the increases were the result of increased wages, staffing and health insurance. I just received notice that our liability insurance will increases no less than 25% in this renewal year. Our reward for increasing wages, staffing and benefits was a rate decrease. This warped calculation is the result of the state's flawed and asinine rate methodology. At this point, I don't know what the state wants. Care-Age has lived up to our contractual agreement with the state by providing excellent care and a history of deficiency free surveys. The dam is broken and we are drowning. As if things weren't bad enough, now with the rate decreases we must figure out just how to pay for:

-Increased wages and benefits. There is a severe nursing and health care worker shortage. Wages are increasing annually by over 20%. We have

done what is humanly possible to recruit and retain quality workers including recruitment and retention bonuses; door to door van service – 3 shifts a day – 7 days a week; employment of W2 participants (with little or no help from the state) and recruitment of CNA staff from Micronesia (at a cost of over $25,000). By the way, the wage pass through covered approximately $12,000 of the $100,000 spent on increased CNA wages and benefits.

-Increases in health insurance have doubled over 1999 levels. Increased payroll has led to increased workers comp and unemployment taxes.

-Utility and property taxes have significantly increased over 1999 levels.

All of this in an environment that imposes more and more regulations and punitive measures with 0 tolerance for human error. News media exploiting horrific but rare situations leading to fear, anxiety and distrust of nursing homes. Skyrocketing insurance premiums as a result of attorneys exploiting vulnerable families and adult children finding lawyers to legally divest assets so as to qualify for T19. The loopholes for very wealthy people to obtain eligibility for T19 still exist – promoting a welfare for the wealthy.

The private pay client, or those who still maintain a sense of ethics, pride and decency to resist attorney's solicitation for easy guaranteed divestiture, must continue to receive increases in their daily rate. I do not believe that it should be the obligation of the private pay patient to not only pay for their own care, but be forced to subsidize the T19 patients because the state has not fulfilled its obligation in paying an adequate reimbursement. The private pay resident, who has responsibly saved for his/her long-term health care needs, is forced to bear an additional subsidy tax to shoulder the burden of the inadequate state Medicaid rate. Without their forced subsidy however, no resident would receive care, as our T19 check does not even meet the obligation of one payroll.

It is not only unreasonable but immoral to expect nursing homes to lose $35.00 per day per T19 patient. What does this say about how the state values our parents and grandparents? The state may continue to ignore the issue and hope the sick elderly people will just go away. I understand that many people, because of their own fears and denials of their own mortality would like all nursing homes to close. This is a foolish denial of the reality that many in our aging population need skilled nursing care that cannot be reasonably or adequately met in other settings. To

continue with this denial by underfunding services for this population is an outrage and disservice to our elderly citizens.

The intergovernmental transfer money must be used only for increasing nursing home reimbursement. If the legislature tampers with allocating this money to other providers, the pre-determined deal with the counties will be off and we all lose. Our situation is desperate. With over 70% of our residents in nursing homes T19 recipients, and limited opportunity to cost shift to compensate for the inadequacies of T19, this money must be used only for its intended purpose – increased nursing home reimbursement.

I urge you to support the funding increases for nursing facilities set forth in Governor McCallum's budget proposal. The immediate and long-term consequences of the failure to provide the proposed relief are unthinkable. Furthermore, it is essential we continue to recognize the differences in labor regions. For high cost labor regions, any increase in rates will be negated if labor regions are not maintained. I urge you to carefully review this added provision to the formula & oppose vehemently any changes to the labor regions.

Care-Age of Brookfield plays a critical role in the economic health of our community and state. In addition to personal and property taxes of $125,000, our total economic impact to our community is over 9 ½ million dollars.

Wisconsin nursing homes employ over 58,000 employees and are responsible for an additional 31,000 jobs statewide. Direct payroll, personal income and corporate tax payments, business to business purchases account for more than 2 billion per year. This is equivalent to the size of primary metal, chemical, rubber and plastic industries in the state.

If any other sector or industry in our state, which constituted this kind of economic impact, was in such a severe financial dire straits as the nursing home industry, I'm sure we would be having special sessions, tax break proposals, bailout plans, grants or constitutional amendments to keep the entity viable. I do not understand why nursing homes do not receive the same attention and immediacy to our crisis that these businesses have or would receive.

The turnover rate for all positions in nursing homes averages 70%. It is a very difficult and stressful job, often not appreciated, understood, or recognized by society at large. Unless there is serious attention to the current crisis, just who will be left to take care of the old, frail and sick?

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NURSING HOMES' CONTRIBUTION TO WISCONSIN'S ECONOMY

Introduction

Wisconsin's nursing homes make a highly valued contribution to not only the clientele served and their families, but also to the state and the individual communities in which they reside. In some communities, the local nursing home may be the largest employer in the area, supplying jobs, incomes and sustainability to other local area businesses. Therefore, nursing homes' economic health and value to their communities and the state cannot be overlooked.

In the Winter of 2001, the Wisconsin Health Care Association (WHCA) asked Relevant Economic Analysis Limited (REAL Econ) to undertake a brief analysis of the economic contribution nursing homes make to Wisconsin's economy. REAL Econ used data drawn from the State of Wisconsin 1999 Medicaid Cost Report as input into an economic impact model to determine the size of the economic contribution nursing homes make to state's economy.

Wisconsin's nursing homes:

- account for almost $3.2 billion in economy activity within the state
- pay out $1.3 billion in wages, salaries and benefits
- employ 58,500 workers and support another 31,000 workers in supply industries
- maintain facilities to accommodate some 45,000 residents
- are responsible for nearly $3.7 million in state income and property taxes.

The total economic contribution nursing homes make to Wisconsin's economy is large indeed. As a business resource, Wisconsin's nursing homes should remain a viable segment of the state's economic landscape. Furthermore, Wisconsin's nursing homes will become more valuable as the state's elderly population increases with the aging of the Baby Boomers. By the year 2010, Wisconsin's population over 65 years of age will be growing 3% per year. This compares to a growth rate for the state's total population of 0.5% per year. This growing elderly segment of the state's population will require an ever-increasing level of services provided by Wisconsin's nursing homes and other long-term care providers.

Direct Economic Impact

Wisconsin nursing home output in 1999 totaled over $2.0 billion. This is roughly equivalent to the size of the Primary Metals, Chemicals and Rubber & Plastics industries in the state.

Nursing homes paid out over $1.3 billion in total payroll in 1999, some 64% of total operating costs. Another three-quarters of a billion dollars were spent in the purchase of goods and services

from other supply chain businesses (B2B). Nursing home facilities paid out nearly $2.7 million dollars in real estate, property and municipal taxes and fees. Nursing home employees paid out almost $1.0 million dollars in state personal income taxes.

Direct Economic Inputs

Items	Amount
Payroll net Taxes & Benefits	$998,518,236
B2B Purchases	758,821,161
Wisconsin Personal Income Tax	977,266
RE, PP, Municipal Taxes & Fees	2,696,900
Total	**$1,761,013,563**

To fairly represent the impact nursing home employee spending makes to the state, we use only discretionary disposable income. We arrive at that figure by subtracting personal income taxes and benefits from the total payroll numbers. Federal and state income taxes were calculated using the standard Federal and State personal income tax tables. We assumed standard deductions for a married couple filing jointly with two children. We also assumed no other income, earned or otherwise. This yields a conservative estimate of personal income taxes paid as Wisconsin has a large number of two income families and no account was given for income from savings deposits, bond or equity investments or rents.

Federal income taxes paid by Wisconsin's nursing home employees in 1999 were estimated at $84.2 million. State income taxes amounted to $1.0 million. Employee benefit costs totaled almost $250 million in 1999, according to reported data. The flow of benefits payments within the state economy is unclear so the impact was not included in this analysis. Real estate, property and municipal taxes and fees totaled $2.7 million. These costs were subtracted out of the B2B expenditure totals.

Wisconsin nursing homes employed 58,459 employees in 1999. This is larger than the state's Printing & Publishing and Paper & Allied Products industries.[1] Interestingly, over half of all nursing home jobs were part-time positions, 30,590, with 27,869 full-time positions, equating to 41,122 full-time equivalent (FTE) positions.

Total Economic Contribution

The flow of dollars spent by nursing facilities within the state's economy expands as the money passes through the hands of supply chain firms. Nursing home employees spend their income on other goods and services in the local economy and the nursing homes themselves purchase goods and services from supply chain businesses. The firms along the supply chain in turn pay wages and salaries and purchase goods and services from businesses further along the chain. As a result, the total money spent by a nursing home on payroll and goods and services expands to a larger monetary impact in a regional economy. This is referred to as the multiplier effect. Some of the dollars

are lost to other regions by out-of-state purchases of goods and services by employees and supply chain businesses and is termed leakage.

Methodology

Using coefficients from input/output models of economic activity developed by Dr. William A. Strang of the University of Wisconsin—Madison, and the U.S. Department of Commerce RIMS II model as guides, the fiscal flows of payroll, taxes and business purchases are multiplied to estimate the total economic contribution that Wisconsin's nursing homes make to the state's economy.[2] The data was drawn from the State of Wisconsin 1999 Medicaid Cost Reports.

Due to the limited detail of the data used, precise quantification of the total economic contribution is not possible. Therefore, the analysis was undertaken with the intention of erring on low side and the reported results should be viewed as conservative estimates of the total economic contribution that Wisconsin's nursing homes make to the state's economy. For example, no consideration was given to the flow of federal money back to Wisconsin in terms of non-health care aids of the $84 million Wisconsin's nursing homes' employees paid in federal income taxes. In-state flows of employee benefit payments were unclear and also excluded from the analysis and total economic contribution figure.

Multiplier

One of the critical pieces of quantifying the total economic impact of dollars spent in a regional economy is the economic multiplier that is applied. A multiplier of 2.1 is applied in this analysis for the total impact of nursing home employee payroll net of income taxes. This is a conservative figure. Work done by Dr. Strang shows sales multipliers as high as 2.8 for some service sectors. Other studies using the Strang model have shown a weighted average sales multiplier across all sectors of 2.4. However, due to the limited richness of the data set and consequent limited rigor of this analysis, a conservative value for the multiplier was chosen to assure erring on the low end of expected results.

A smaller multiplier is used for the economic expansion of business-to-business spending, those nursing home expenditures for goods and services to supply chain businesses. The B2B multiplier is less than the one used for expanding the total economic impact of employee income, 1.4 versus 2.1, due to the fact that B2B purchases are generally registered at the wholesale level. This eliminates one cycle of monetary flows through the economy and reflects lower margins at the wholesale versus retail level of purchases. Also, more wholesale purchases occur to supply firms outside the state, leaking dollars out of the state's economy.

Taxes

Federal income tax payments represent leakages out of the regional economy. No assumption was made about the amount of non-Medicaid federal tax revenue that flows back to Wisconsin in this

analysis. Essentially all of the personal income tax paid to the state is spent back in the state's economy. Therefore, state income taxes are included in the total economic contribution that the firms and their employees make to state, as are real estate, property and municipal taxes and fees.

Monetary Flows

Due to the multiplier effect, the total monetary impact is larger than the nursing homes' direct expenditures of $2.1 billion suggests, even with deductions for federal taxes and benefits paid. Nursing home employee purchases of food, clothing, shelter, entertainment and other goods and services in turn pay for, among other things, the wages and salaries of the employees at the patronized business establishments and so forth. Some of the earnings are saved and some of the money leaks out of the region through out-of-state purchases, mostly by businesses' purchases of goods manufactured outside the state. B2B purchases act in the same manner, only with greater leakages through out-of-state purchases.

Total Economic Impact of Wisconsin's Nursing Homes

Category	Direct Impact	Economic Multiplier	Economic Contribution
Payroll net Taxes & Benefits	$998,518,236	2.1	$2,096,888,296
WI Personal Income Taxes	977,266	2.1	2,052,258
Corporate Taxes (RE,PP,Muni)	2,696,900	2.1	5,663,490
B2B Purchases	758,821,161	1.4	1,062,349,625
TOTAL	**$1,761,013,563**		**$3,166,953,669**

The total economic contribution to the state attributable to Wisconsin nursing homes was nearly $3.2 billion in 1999. This is a conservative figure as data limitations forced a cautious approach to the quantitative analytics. Nevertheless, it is readily apparent that Wisconsin nursing homes' activities are overwhelmingly beneficial to the state's overall economy – the private sector, workers, the government and Wisconsin's citizenry at large.

Jobs

Wisconsin nursing homes directly employ almost 58,500 workers, amounting to over 41,000 FTE positions. However, the total job impact the state's nursing homes make is far greater than their immediate employment requirements. The goods and services nursing homes demand for daily operations require a supply chain of manufacturing, processing and distribution that is manned by other businesses. As a result, the operational needs of the nursing homes indirectly employ another roughly 31,000 workers in the state.

The indirect employee figure can be derived through two different methods. One method (jobs-to-jobs) is to multiply the number of nursing home employees by a factor that relates to jobs through

the supply chain. The other method (dollars-to-jobs) applies a different factor to the dollars of output by the nursing homes. As you might imagine, the results do not match.

Using the first method, jobs-to-jobs, the 41,122 FTE nursing home jobs in Wisconsin generates another 27,963 jobs in supply chain businesses in the state.[3] The jobs multiplier used here is 1.68. That is to say that for every 100 nursing home jobs, there are another 68 jobs created in the state to fulfill the supply needs of those nursing home workers both at work and at home.

The calculus is somewhat different under the second, dollars-to-jobs, method. The estimated number of jobs generated is a function of the total output of the state's nursing homes. We use total expenses as a proxy for total output, in this case $2,095,167,615, the total expenditures figure reported by the State of Wisconsin 1999 Medicaid Cost Reports. The jobs multiplicative factor is 34.3 jobs per $1 million in expenses.[4] The result is that the $2.1 billion in Wisconsin nursing home spending creates a total of 71,864 jobs. Subtracting the 41,122 jobs employed by the nursing homes themselves indicates that an additional 30,742 workers are resident in the state due to the existence of Wisconsin's nursing homes.

As is evident, the two methods of determining the total impact of Wisconsin's nursing homes on employment in the state yield different figures. Suffice it to say, however, that the existence of Wisconsin nursing homes create about 70,000 jobs in the state.

Conclusion

Wisconsin's nursing homes make a highly valued contribution to not only their clientele and families they serve, but also to the state and the individual communities in which they reside. Wisconsin nursing homes employed almost 58,500 employees and are responsible for an additional 31,000 jobs statewide.

Direct payroll, personal income and corporate tax payments, and B2B purchases by Wisconsin nursing homes amount to over $2 billion per year. Employee payroll, including benefits, constitutes the largest share at over $1.3 billion, amounting to 64% of total nursing home expenditures. B2B purchases rank second at over three-quarters of a billion dollars. Personal state income and corporate taxes and fees combine for almost $4.0 million.

The multiplied effects of nursing home spending spotlights the enormous economic contribution Wisconsin's nursing homes make across all sectors of the state's economy, totaling almost $3.2 billion. Consumption by the state's nursing home employees contributed almost $2.1 billion in sales revenue to Wisconsin's economy in 1999. The total economic impact of nursing homes' purchases from other Wisconsin based businesses amounted to over $1.0 billion in 1999. The total economic impact of corporate and personal income taxes paid to the state by the nursing homes and their employees amounted to almost $8 million.

It is readily apparent, even with the conservative estimates made in this study, that Wisconsin's nursing home profession makes a very large contribution to the state's economic health. The nursing home profession is overwhelmingly beneficial to the state, the private sector, workers, the government and Wisconsin's citizenry at large.

Economic Impact: Typical Nursing Home

The total economic impact of the nursing home profession can be broken down to a "typical" 100-bed facility. In calculating these figures, we shared the aggregate numbers down to represent a 100-bed sized residence and then applied the same sales, output and jobs multipliers as in the statewide analysis above.

The typical 100-bed nursing home employs 92 workers with a total payroll of some $3.0 million, including benefits, or 64% of total 100-bed facility expenditures of $4.7 million. Total non-payroll facility expenditures amounted to $1.7 million.

The total economic contribution calculated for a 100-bed nursing home yields a conservative figure as no account was taken for state spending of rendered taxes in any particular community or local flows of benefits premiums. Payroll impacts were taken net of federal and state income taxes and benefits. B2B supply chain purchases were reduced by real estate taxes, property taxes and municipal fees, as they are not consistent levies across communities. The net figures are reported in the table below.

Typical 100-bed Nursing Home Facility: Expenditures and Economic Contribution

Item	Facility	Multiplier	Total Contribution
Payroll net Taxes & Benefits	$2,235,827	2.1	$4,695,237
B2B	1,699,111	1.4	2,378,755
Total Expenditures	**$3,934,938**		**$7,073,992**
Jobs ($:jobs)	92	34.3/$1M	161

The total economic contribution of a single 100-bed nursing home amounts to over $7.0 million to the state, with most of the money going to the local community through employee wages and supply chain business purchases. Each 100-bed facility, figuring $4.7 million in total expenditures, employs 92 workers on average and supports another 69 jobs ($ to jobs method) in supply chain businesses.

As was the case in the aggregate analysis in the previous section, a multiplier of 2.1 is applied to the total impact of nursing home employee payroll net of income taxes and benefits and a smaller

multiplier of 1.4 is used for the economic expansion of business-to-business spending. (See explanation above.) Leakages will be larger for smaller communities, as some facility supplies may not be available locally. The jobs multiplier reported in the above table was the dollars-to-jobs technique. The jobs-to-jobs method would yield an additional 63 supply chain jobs for the 92 jobs at the nursing home facility.

Every nursing home plays a significant role in the care of Wisconsin's elderly citizens in its area. Each also contributes to the health of the local community's economy. Both roles will increase as the Baby Boomers age and their demand for high level nursing care swells immensely in the next 10 to 20 years.

Backnotes

1) Winters, Dennis K., Strang, William A, Klus, John P., Wisconsin's Economy in the Year 2010, Wisconsin Economy Study 32, University of Wisconsin—Madison, School of Business, May 2000.

2) The input/output coefficients used in this study come from two sources: a) Strang, William A., Recreation and the Local Economy, An Input/Output Model of a Recreation-Oriented Economy, University of Wisconsin—Madison, October 1970, this model relates regional sales multipliers, b) Lefkowitz, Martin, What 100 New Jobs Mean to a Community, 1993 Edition, Economic Policy Division, U.S. Chamber of Commerce, 1993, uses the RIMS II input/output model to report on jobs multipliers for the health services industry.

3) We used the Lefkowitz jobs-to-jobs figures for these calculations.

4) We used the Lefkowitz dollars-to-jobs figures for these calculations.

About Relevant Economic Analysis Limited

The preceding analysis and report on the impact of nursing homes on Wisconsin's economy was performed by Dennis Winters, President of Relevant Economic Analysis Limited, an economic consulting firm located in Madison, Wisconsin. Mr. Winters has over twenty years experience in economic and market analysis and forecasting, encompassing everything from commodity markets to long-term policy initiatives. His firm's current focus in on regional high-tech economic development in Wisconsin.

Mr. Winters was the principle investigator and co-author of Wisconsin's Economy in the Year 2010, published in May 2000. He authored Sustaining Wisconsin's Economic Prosperity, a white paper for the Wisconsin Economic Summit in November 2000. Mr. Winters also conducted the study, MATC's Economic Contribution to the Region. He has recently provided expert testimony on Wisconsin~ s Labor Shortage and the "Brain Drain" to Joint Legislative Committees.

Mr. Winters has held senior positions at Wharton Econometric Forecasting Associates (WEFA), DRI/MeGraw-Hill (now DRI/Standard & Poors), the Executive Office of Energy Resources for the Commonwealth of Massachusetts and Clayton Brokerage Company of St. Louis. He has also served on the faculty at Fisher College in Boston and the Institute of Gas Technology (now the Gas Technology Institute) in Chicago.

Mr. Winters was educated at the University of Wisconsin Madison and Colorado State University.

Wisconsin State Senate Finance Committee Hearing Testimony

Assistive Technology:

Robert E. Schmidt - ILC **Midstate Independent Living Consultants**

It is important to understand that there are a number of issues involved in assistive technology. The cost of offering an assistive technology program is always a concern, but the benefits of this program must be measured in ways far more personal if the full impact of assistive technology is to be properly understood. While there is always an initial cost in setting up a program such as assistive technology and, of course, an ongoing cost of continued funding for the purchase of assistive technology equipment for loan closets and individuals, there is a long term savings to be had when it is realized that such technology is a one time purchase that enables a person with a disability to be more independent. When weighed against the cost of every day assistive care, without assistive technology, this savings can be quite significant. When assistive technology is used correctly, with the help of a qualified expert (known as an Assistive Technology Specialist) to advise consumers toward appropriate choices, cost effectiveness is achieved of course, but the disabled individual is also best served with the right tool. In that way only the best and most appropriate equipment is purchased for long term use by the consumer. But the emotional and psychological advantage to the disabilities consumer, who is freed to be more independent with the use of assistive technology, is immeasurable. Whenever society is able to bring a member of the disabilities community closer to the main stream, the more unified our society will be. In some instances this means that a person with a disability may be able to return to work, at least part time. When that occurs, everyone wins. Government gets a tax payer back, business gets a skilled worker, the tax burden on other citizens is relieved, and the disabled consumer has the opportunity to make a contribution to society. When looked at from this broad perspective, assistive technology is not only the prudent thing to do, it is the right thing to do. In 1994 Wisconsin obtained a $640,000 annual federal grant (arising out of the National Technology Act of 1990) extended to 10 years to create our assistive technology program known as WisTech located at the Division of Vocational Rehabilitation. We ask that this funding source not be overlooked this fiscal year, and be incorporated in the governors' budget for this most important program.

BROWN COUNTY
ASSOCIATION FOR
RETARDED CITIZENS

April 20, 2001

Dear Representatives Gard and Burke,

I am personally delivering this information prepared by RFW regarding the community service crisis. This summary will inform you of the major problems facing human services across the state and asks for specific assistance from you.

All of us associated with RFW and people in need are not "crying wolf". Fewer people are willing to enter this field because of low wages, poor benefits and little retirement security. Administrators and volunteer boards have generously given of their own resources and have spent endless hours raising funds to supplement the existing funding for services. Enormous competition exists for every donor dollar. Each budget year the actual costs of services and the government funding for the same services get further apart.

I recently completed thirty years with the BCARC. I feel I have made a positive impact upon this organization and the people we have served. I cannot, however, make loaves and fishes multiply. A 2% increase in the county contract doesn't begin to cover the 24% increase in health insurance and 65% increase in utilities.

This crisis will be far worse than any of us think possible if action is not taken immediately.

Your attention to this issue is appreciated.

Sincerely,

Virginia Baeten
Executive Director

1672 LOUSMAN STREET
P.O. BOX 12770
GREEN BAY, WI 54307-2770
(920) 498-2599
FAX: (920) 498-2652

HELP WANTED.

"Over the past few years we have cut positions to the point where we have nowhere else to cut. We have also expanded fundraising efforts to subsidize our programs. With the economy softening, that will not be enough."
... Colleen Kennedy, President/CEO, Ranch Community Services, Inc., Menomonee Falls

There is a community service crisis.

Wisconsin has pledged that people with disabilities should, to the extent possible, live and participate fully and safely in their own communities.

Crucial to making this happen is the stability of hundreds of service providers, including community rehabilitation programs, who provide services to thousands of people with disabilities in every community in Wisconsin.

Who we are

Community Rehabilitation Programs (CRPs) are not-for-profit organizations providing vocational, residential, birth to three and many other community support services needed by persons with developmental disabilities, physical disabilities or mental health needs.

The business of a CRP is to assist a person to increase their independence and employment potential. Employment, job creation and and other support services assist people with disabilities to become included, contributing members of their communities.

What we face

Community Rehabilitation Programs are experiencing escalating insurance premiums, sky-rocketing energy costs, and ever increasing operational expenses. At the same time, a severe worker shortage threatens to put people served at increasing risk.

With diminishing state support, organizations are being forced to reduce services to persons they already serve, while waiting lists for community-based services grow and grow.

This is not just a handout

For every **$1.00** that community rehabilitation programs receive from government funding, another **$1.28** is generated by them to subsidize their programs and pay workers with disabilities. CRPs have met the challenge and become entrepreneurs, raising dollars through production revenue, business ventures, creative fundraising and more. ***State funding is not keeping pace.***

People are waiting

5000 adults with developmental disabilities are waiting for critical services. The waiting period is many years.

- 2300 people need a place to live;
- 2700 people wait for support to get a job or participate in their community during the day.

Services are in place

People are waiting for needed services but not because there is a lack of services available. The community service system is in place as is the capacity for serving thousands of people. ***What is not in place is the funding people must have to access these services.***

RFW

Rehabilitation For Wisconsin, Inc.
4785 Hayes Rd., Suite 202
Madison, WI 53704
608/244-5310 voice/tty
608-244-9097 fax
www.rfw.org

HELP WANTED.

"The past three years our organization has seen big decreases in revenues from traditional government sources, forcing us to cut staff, reduce capacities, eliminate some services and develop waiting lists. In 2001 we need to generate $395,752 to offset deficits in programs the counties and state purchase from us. Without a significant increase, we may have to eliminate more programs for the elderly and people with disabilities." ... John Bloor, President, N.E.W. Curative Rehabilitation, Inc., Green Bay

We must value our workers more

Compared to the general labor market, entry level **community-based service workers' wages ranged from 7% to 17% less** than other business' entry level wages drawing workers from the same pool. When compared to entry-level wages paid by state and county government for similar jobs, wages received by community-based service workers ranged from **24% to 55% lower than similar public employees.** This clearly indicates that entry level wages paid to persons supporting individuals with disabilities can not even compete with the fast food industry.

Funding must cover costs

Governmental funding for Community Rehabilitation Programs anticipated in 2001 is an average of 30% less than the actual cost of providing services. Deficits keep growing due to the rising costs of health insurance, gasoline, electricity, heating and salary needs for workers.

Institutions still get more

844 people with disabilities live in the State Centers for the Developmentally Disabled at an annual cost of **$146,000 each** for a total of $126 million. This represents only **2%** of the total population of people with disabilities. As for the **98%** majority, the 48,531 people who receive services in the community, an average of **$6,800** each is spent annually for a total of $330 million. The Wisconsin Department of Health and Family Services knows that 90% of people living in the Centers could live in the community.

HELP WANTED.

People with disabilities are facing reductions in existing community services and much longer waiting periods prior to receiving services. Community service providers could soon be forced out of business as costs increase and workers are lost because of stagnant wages and benefits.

Wisconsin must act responsibly to provide a safe and adequate system for community-based support services. Service providers must have the resources necessary to address their rising costs and be able to attract and retain the workers necessary to ensure a responsible, accessible system of quality services. The state must better support community inclusion for all people and pass on new funds to the community service provider.

FYI - Look what other states have recently added for increased services to people with disabilities:

California	210,000,000
Connecticut	23,000,000
Florida	336,000,000
Maryland	36,400,000
New Jersey	127,200,000
New York	230,000,000
Pennsylvania	400,000,000

Government Funds Needed	Wisconsin GPR	Matching Federal Funds	Total
Annual Increase Needed To Sustain Quality Service To Persons with Disabilities	$60,000,000	$60,000,000	$120,000,000
To provide for a phase in, the 2002-2003 Biennial Budget Request should include:			
First Year of Biennium	$30,000,000	$30,000,000	$ 60,000,000
Second Year of Biennium	$60,000,000	$60,000,000	$120,000,000
Total for 2002-2003 Biennium	$90,000,000	$90,000,000	$180,000,000

RFW

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Curtis Johnson - 87185 Cty Hwy T - Bayfield 54814

MORE DOLLARS NEEDED FOR THE SUPPORT AND TREATMENT OF THE MENTALLY ILL

We thank you for the opportunity to appear before your committee and to speak on behalf of the mentally ill of the State of Wisconsin and of our communities.

Let me first take a moment to introduce myself and our concern. We are the parents of a son who has a severe and persistent mental illness. He has suffered with the illness for some 27 years. During the course of those 27 years we have been intimately involved with his treatment and the developments in the research and treatment of persons with a mental illness. My wife has served on the 51-42 Board of Bayfield County when they still had such a board. Together we have served as co-chairs of the National Alliance of the Mentally Ill of the Chequamegon Bay Area. I presently serve on the Community Options Long Term Care Advisory Board of the State of Wisconsin and on the Board the National Alliance for the Mentally Ill of the State of Wisconsin. Suffice it to say that we have learned much more about mental illness than we had ever hoped that we would.

In the process we have experienced that the State of Wisconsin was at one time a leader in the care and treatment of the mentally ill but that has changed dramatically in the last few years. The PACT Program developed in Dane County is a model for the entire country for the treatment of the mentally ill. Unfortunately that outstanding program is not and cannot be implemented throughout our state because of the lack of adequate funding for the Community Support Programs throughout the state. It is absolutely necessary that funding be increased so that our mentally ill people can be given appropriate and comprehensive community based treatment. The failure to provide community based treatment results in an ever increasing number of our people with mental illness ending up in institutions that are far more costly to operate than community based programs. Unfortunately far too many of our people end up in the penal institutions of our counties and state where they are not provided with the appropriate help that they need and become the victims of the system. Our jails and prisons have become the holding places for the mentally ill, replacing the institutions for the mentally ill that we closed down a number of years ago. Far too often the failure to provide community based services results in death. The suicide rate for the mentally ill left untreated is far higher than for the general population. In rare but well publicized cases the general public is at risk when one of our mentally ill people, not treated, not on their medication in the active state of their illness will take the life of another person because they believe that is what they must do because their ill mind tells them that.

What we are saying is that it is far more economical in the long term to provide the necessary services at the local level than it is to deal with the results when that treatment is not provided. Beyond this it is far more humane for our people to help them live in their home communities with the supports necessary rather than in an institution often far away from family and other natural support systems.

What needs to be done immediately is for the State to pay for the "state share" of the medical assistance Community Support Benefit so that this is not a burden on the local counties and so that all waiting lists for mentally ill people who need services can be provided as required under

the Federal Medicaid law. From information we have this would cost some $ 400,000 in FY 02 and $ 1.9 million in FY 03.

A specific example of what is happening due to the insufficient funding of the Community Support Programs: Bayfield and Ashland Counties contract with New Horizons North to provide community support for the developmentally disabled and the mentally ill. Because of the counties failure to adequately fund this program New Horizons is faced with the possibility of losing staff and the possibility of closing their office in Washburn. New Horizons is an outstanding program but due to their radically escalated cost of providing health insurance for their staff and the corresponding inability to keep up with the cost of living for their staff, their outstanding work is threatened and of course those persons who suffer the most are the mentally ill who will potentially be deprived of their service.

Further the State should pay the state share of the Medical Assistance funding for the Comprehensive Community Services that was adopted during the past biennium but not at this point implemented by the Department of Health and Family Services. This was a recommendation of the Governors Blue Ribbon Commission.

Additional services at the community level need to be provided to assist with the early diagnosis and treatment of children with serious mental illness. With the additional research being done the identification of persons with a mental illness can be made at an earlier age than previously and with early treatment, much of the long term effects of the illnesses can be eliminated or at least lessened.

A number of consumer and family support services have been developed throughout the state that provide education and peer support programs. These should be encouraged and expanded through a substantial grant from the new federal Mental Health Grant Funds. Personally we have been involved with family to family education for families that are dealing with mental illness and have found it to be most helpful in eliminating the pervasive stigma and enabling and emboldening families to seek the necessary services for their family member. We are currently planning to be involved in a comprehensive training program for persons providing services with the mentally ill. This is all supported and funded through the State Alliance for the Mentally ill.

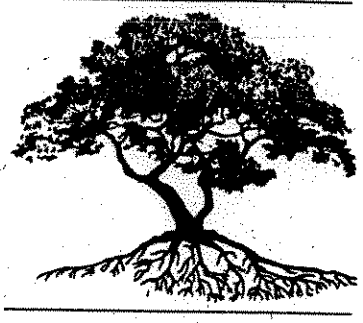
Finally we would strongly urge that you provide for and Independent Advocacy Program for the Managed Care Demonstration Projects that are in being throughout the state. There is evidence from other states that Managed Care groups will run programs for the mentally ill for a short period of time and then when they realize that they cannot make a large enough profit due to the persistent nature of mental illness and the difficulty in providing quality on going care, they will withdraw from the programs. We cannot afford to have this happen to our people who suffer with these terrible illnesses.

We certainly must insist that there be Health Insurance parity for all persons who suffer from a mental illness.

MORE DOLLARS NEEDED FOR THE SUPPORT AND TREATMENT OF THE MENTALLY ILL

We thank you for this opportunity to share our concerns and the concerns of a large number of other persons whose family members suffer from the effects of these most disabling illnesses that we label mental illness.

HRC Mental Health Center



Topic: Early Mental Health Intervention

The children and youth of Douglas County exhibit numerous high risk behaviors as evidenced by our Search Institute Survey results: increase of pre-delinquent and delinquent behaviors, increasing rate of juvenile court referrals, increasing rates of school suspensions and truancy, increasing rates of day treatment utilization. The resources of the current human service delivery system are primarily focused on high need youth who have developed moderate to severe problems, typically of significant duration. Few resources are available for early prevention and early identification and intervention for these problems.

In our current delivery system, a small number of youth with a severe level of problems tend to exhaust most of the resources available. And, in many cases, without significant, lasting positive results. The local mental health service providers are typically funded to provide services to cases where there is the most substantial need. However, children who ultimately develop more serious problems are usually identified at an earlier age (e.g. K-3) by their teachers. At this time, appropriate and adequate resources for responding to these "leading edge" problems are typically unavailable.

The cost of addressing mental health and other problems later in life is often staggering. As an example, within the Wisconsin prison population, over 60% of the prisoners are illiterate. It is my speculation that for many of these inmates, their illiteracy was likely pivotal in their life and had much to do with their criminality. Comparing the cost of dealing with illiteracy at an early age vs. during adult life where imprisonment costs $20,000 - $30,000 per year (with a high rate of recidivism) is highly relevant to a discussion of what we should be spending tax dollars on, and how tax dollars could be substantially saved.

39 N. 25TH STREET E. SUPERIOR WI 54880 715 . 392 . 8216 FAX 715 . 392 . 6055

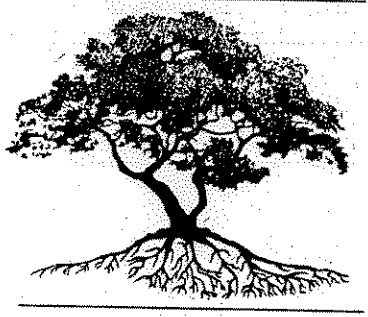
The example of illiteracy also serves as a good illustration of a problem with multiple possible causes where multiple resources and solutions are needed. In some cases, illiteracy is an educational problem that can be addressed through pure educational methods. In other cases, illiteracy can stem from untreated mental disorders such as attention deficit disorder, childhood depression and so on. Early intervention on such problems is the key to both increased quality of life for those involved as well as a way to save our society from the staggering cost of late stage interventions such as imprisonment. I would point out that imprisonment has a very poor track record for successfully resolving individual's problems or issues.

As a final illustration, I will offer cancer as a metaphor. The difference in results in treating early stage cancer vs. late stage cancer are dramatic. The difference in the associated costs of treating early stage cancer vs. late stage cancer are similarly dramatic. In the areas of education and mental health, there are many examples where we have chosen to primarily treat the problem at the latest stage, and we have paid the highest possible cost with poorest level of results. That our citizens, consumers and tax payers expect more of us is understandable.

Thank you,

Steve Engleson, M.A.
Program Director

HRC Mental Health Center



Topic: Need for higher Wisconsin Medical Assistance Program (WMAP) rates

In Douglas County, we have had particular difficulty finding and adequately supporting providers who service WMAP recipients. Low WMAP rates have resulted in some providers no longer providing services (e.g. transportation), providers no longer accepting WMAP clients (most dentists in our area no longer accept WMAP reimbursement), or providers struggling to maintain financial solvency (e.g. our local nursing homes as well as other service providers). Many of the WMAP rates are well below the providers actual cost to provide the service. For example, in the mental health area, the local community mental health center receives $34.65 for an hour of therapy provided by a master's level clinician. This is approximately $30 per hour below the agency's actual cost to provide the service. In Duluth, Minnesota (sister city to Superior), Minnesota Medical Assistance reimburses $67.77 per hour for a master's level clinician in a community mental health center.

As Duluth and Superior are sister cities, the providers and agencies in both cities compete for employees from the same pool of workers. The ability to compete for workers on the Wisconsin side is seriously impacted by the low reimbursement rates. In addition, WMAP recipients, although they are covered for services, often find themselves unable find a provider who will accept them as a patient. This is particularly true in the area of dentistry. An added unfortunate outcome is that when people do not receive needed care promptly, it typically costs the health system an even greater amount later.

The Medical Assistance reimbursement problem is a greater issue for rural Wisconsin than it is for the large populations centers such as Dane County and Milwaukee County. This is particularly true for those counties in rural Wisconsin that have economic disadvantages. For example, in Community Mental Health, the Community Mental Health Centers in the larger counties receive substantial grant subsidies from their local county. This allows them to both serve the Medicaid population as well as maintain financial viability. Many of the smaller, rural counties do not have the financial resources to provide this. Hence, the scenario of providing services at well below actual cost, which is not sustainable, and can and has led to citizens not receiving needed services.

Thank you,

Steve Engleson

Steve Engleson, M.A.
Program Director

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SUPPORT SERVICE WORKERS

This has become an experienced, talented, highly-skilled paraprofessional who provides direct client services. Clients the support staff work with most often are the difficult, usually court ordered, high-risk uncooperative, angry, multi-dysfunctional, volatile parents where abuse and neglect are major concerns.

When going into client's homes alone, a certain amount of risk is present. We go into client's homes challenging, supporting and encouraging change.

We play a vital team member who provides support and documentation to the social worker staff and testify in court.

We team with social workers to establish a general service plan, but more frequently must assess the situation on a daily basis, which necessitates making sound, independent judgments to identify client's needs.

To ensure that the home live of the family is preserved, strengthened and improved, we offer support and understanding.

We help develop links between the parents and community resources.

We design and teach programs, e.g., parenting skills, child development, communication, stress management, problem solving, building self-esteem, nurturing and bonding, anger control, and household management skills, tailored to fit the needs, educational level, and emotional functioning of each individual family.

Coordination with other units is not only necessary but essential, as well as with other community resources, e.g., teachers, counselors, medical people, landlords, contracting agencies, etc.

Reporting directly to a social work supervisor is essential, but in turn a considerable amount of independent judgment is expected in arranging, monitoring, and reviewing caseloads. Work is evaluated through conferences with professional staff and supervisor. It may include review of a file documentation, recommendations, completed forms and other records.

Humans have what is termed "a hierarchy of needs." Unless individuals most basic needs are met, it is virtually impossible for them to achieve high goals. Often the service support worker helps individuals meet these needs.

A skilled trainer in parenting programs who covers topics as: child development, communication skills, building self-esteem, parenting skills, nurturing with the family based philosophy in practice. Offers support and understanding, links between parents and community resources, good listening skills, helps with problem solving.

Instructing clients in all facets of homemaking, household management. Empowering families to function with cooking, budgeting, instruction in consumer education knowledge.

Coordinate services and explore all possibilities for client with other agency staff as necessary to avoid alternate placement.

Especially design parenting programs to meet needs of specific families. Design behavior management programs.

Actively teaming with parent at school meetings, medical staff, interagency.

Facilitates and creates parenting programs and activities; nurturing classes, intensive in-home parenting, ADHD classes, DD nurturing classes.

Monitor and/or manage financial activities as appropriate pursuant to agency policy and state rules and recommendations. May act as protective payee for AFDC benefits or representative payee for SSI benefits.

Document court ordered activities as needed regarding family relationships pertinent to child abuse and neglect.

Advocate and support clients at medical appointments, explain medical terminology to enable parent participation for the well-being of the children.

Supervises court ordered visits in families where there is high risk of abuse and neglect, providing support and role modeling. Extensive documentation for the court. Support service staff may also be required to testify in court regarding same.

The support service worker helps and assists to enhance self-helps, supports and enables to develop self-care, encourages and guides to develop self-management, motivates and maintains to enhance self-sufficiency, strengthens, supplements, and teaches to develop independent functioning.

Day care certification. Day care funding, authorization. Community worker with mentally ill.

Volunteer coordination. Intake-assessment. Alternative care referrals. Adult Care - life skills. Transportation.

Case Management. T-19 Food Stamp-Home visitor. Certify for Medical Assistance. Referrals to Child Support or subcare billing.

Complete foster care forms. Liaison between Social Security, Child Support, Economic Support and Corporation Counsel.

MC

COUNTY OF MARATHON

400 E. THOMAS STREET WAUSAU, WISCONSIN 54403-6498

"Community valued social services, with respect for individual dignity"

(715) 261-7500

April 3, 2001

To The State Joint Finance Committee

WHEREAS - Support Service Workers are not represented by any other organization.

WHEREAS - It is imperative that Support Service Workers throughout the state have a contact person at the state level to address needs.

WHEREAS - The changing faces of today's families with more intense, volatile behaviors, ~ absolute need for more education/training to serve.

WHEREAS - A request for the sum of $3,000 for training/education one time per year for the State Support Service Institute (usually held in the fall of the year).

Thank you for your time and consideration.

Lois A. Groskreutz

Lois A. Groskreutz, President
North Central District of S.S.W.'s
Support Service Worker of Marathon Co. D.S.S.
Service Support Worker

MARATHON COUNTY WISCONSIN

Lois A. Groskreutz
SUPPORT SERVICE WORKER

715/261-7547
FAX 715/261-7510

DEPARTMENT OF SOCIAL SERVICES

400 EAST THOMAS STREET
WAUSAU, WI 54403-6498

Testimony for Support of Statewide Trauma Care System

I am providing testimony on behalf of Trauma Services at Saint Joseph's Hospital and as President of the Wisconsin Trauma Coordinator's Group. I have been an active participant in the formation of the "Wisconsin Statewide Trauma Care System Plan", and I have a vested interest in its implementation and success.

The goals of a Statewide Trauma Care System are to match state resources that provide care to injured patients to an injured patient's needs and ultimately to reduce suffering, disability, death and the cost associated with traumatic injuries within our state.

Effects of Traumatic Injury

Nationally, traumatic injury is a serious public health problem. It is the leading cause of death for persons under age 44. Motor vehicle crashes are responsible for 50 percent of the costs related to the treatment of, and recovery from, traumatic injuries. In Wisconsin, the Department of Transportation (1999) reported that 61,577 persons were injured in motor vehicle crashes and 744 were killed. The economic cost from motor vehicle crashes was over $2 billion this includes medical costs, property costs, loss wages, and productivity.

Wisconsin, by most, can be considered a rural state. Research states, one third of the population of the United States reside in a rural area, yet they contribute a disproportionate share of the deaths (56.9%) following motor vehicle crashes. The relative risk of a rural victim dying in a motor vehicle crash was 15:1 compared with an urban crash victim. States with organized trauma care systems have improved survival rates.

Motor vehicle crashes are not the only cause of injuries within our state. Falls, ATV crashes, snowmobile crashes and agricultural injuries are other common causes of traumatic injury in our state.

Benefits of Organized State Trauma Care Systems

It is well documented that states with organized systems of trauma care have reduced deaths, disability, and costs from injuries. Research also states that severely injured patients have greater chances of survival when treated in specialized trauma centers. There are over 22 states that have implemented statewide trauma care systems and others are working toward this goal. Studies conducted on states with organized trauma care systems have proven that these systems are beneficial. An organized trauma system not only focuses on the care of injured patients, but the prevention of injury itself. Injury prevention is the best form of trauma care.

Historical Summary of Statewide Trauma Care System

National efforts to organize Emergency Medical Services and Trauma Care

systems started in 1990. In 1997 WI Act 154, created a Statewide Trauma Advisory Council (STAC) to prepare a plan on specific recommendations for developing and implementing a statewide trauma care system. This plan has been drafted and was submitted on January 1, 2001. This plan is to be implemented by July 1, 2002.

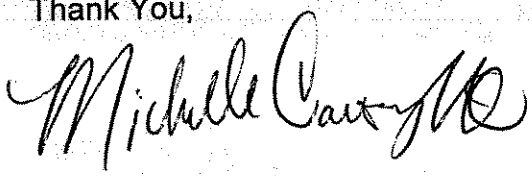
At the time this plan was submitted there were five Trauma Centers in the state of Wisconsin that have been verified by the American College of Surgeons (ACS). Other hospitals in our state have also stated intentions to become verified trauma centers. The Trauma Coordinators in Wisconsin have been organized since 1998. This represents some stand-alone efforts by institutions and groups within our state that support improvements in the care of injured persons.

Funding for State Trauma System

An important piece of implementing this plan is having the funding for it. The Statewide Trauma Care System Plan has recommended some sources of funding for implementation and outlines sources of funding used in other states to support EMS and Trauma. I believe that this plan needs to be funded, as care of injured persons as well as injury prevention in the State of Wisconsin should be one of our priorities.

I again urge you to support this funding for a Statewide Trauma Care System for Wisconsin.

Thank You,



Michelle Cartwright, RN MSN
Trauma Nurse Coordinator
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cartwrim@stjosephs-marshfield.org

Nelson Carlson Reisdorf, 9

James M. Carlson
1520 Rutledge St.
Madison, WI 53703

On September 9, 1991 my son was born early in the morning here in Madison. I am a special education teacher and my son's mother is an elementary teacher. All of our education couldn't prepare us for the words the pediatrician said to us shortly after his birth; "I believe your son was born with Down Syndrome." Nelson wasn't home six weeks before a teacher from the Birth to Three program was in contact with us. She was invaluable. She listened to us, supported us and taught us how to stimulate and educate our son. The Birth to Three program also provided services in Speech and Language, Physical Therapy and Occupational Therapy. I believe Nelson would not be the bright, happy, socially accepted child he is today if it were not for the early intervention from the Birth to Three Program. I urge you to support an increase in funds for this most vital program.

Kayla Ferris, 5

Karen and Dave Ferris
716 Cumberland Ct.
DeForest, WI 53532

Our daughter, Kayla was born 3 months prematurely, weighing 1 pound 10 ounces. She had severe respiratory problems and was on oxygen at home until her 1st birthday. As a result, she also had severe feeding difficulties and was diagnosed with failure to thrive. She had a gastrostomy tube placement at 9 months of age to allow us to feed her directly into her stomach so she would grow. She started to receive speech therapy services through the Birth to Three program in Dane County to work on her tolerance for eating. She received services until she turned 3 years old. We are happy to report that Kayla is now 5 and her g-tube has just been removed! She is now eating and drinking on her own! She will attend kindergarten in the fall. This would not have been possible without the wonderful services from the Dane County Birth to Three Program. Please continue to support this valuable program.

2001/2003 State Budget

(SB55)

My name is Jason Pape, president of the Specialized Medical Vehicle Association of Wisconsin (SVMAW). Specialized Medical Vehicles (SMV's), fulfill the need of the physically and mentally challenged persons of our society. SMV's provide the necessary link to medical facilities that handicapped persons need.

As a Medical Assistance (MA) provider, we are required to meet certain qualifications. Providers of these kinds of services who are non-MA providers are not required to have any type of licensing or regulation. This gives the non-MA providers an unfair advantage over licensed MA providers.

If a company is the only provider of MA services in a city and another company provides service to private pay clients only, the MA provider is being penalized for accepting MA under the current rate of reimbursement. Companies that only collect from private pay clients can then undercut MA providers. This forces the MA provider to determine if they can still provide services to MA and private pay clients. In some instances, companies have closed their doors or decided to not accept MA because of this imbalance.

Additionally, if an SMV company only accepts private pay clients, they can afford to pay their drivers more than SMV companies that accept MA. This causes MA providers to have a higher turnover rate, which in turn causes the MA company to have less experienced personnel than the company that only accepts private pay. Most MA companies have not been able to increase wages adequately over the last several years simply to meet inflation and are fortunate if they can pay more than the entry level positions at other companies.

Furthermore, with any increase in wages, taxes and employee maintenance expenses increase appropriately. However, this is not the SMV company's only expense. Over the next twelve months, all SMV companies will be forced to upgrade their vehicles to meet industry standards. Without additional funding in the form of reimbursement increases, many companies may go out of business. This will leave Wisconsin's special needs citizens with no cost effective mode of transportation.

Thank you for allowing me to address this critical issue.

Respectfully submitted,

Jason Pape
President, SMVAW
P.O. Box 209
New Richmond, WI 54017
715-246-2933

1856

Wood County
WISCONSIN

DEPARTMENT OF AGING
Rosemary Felice, Director

In Support of Increased Funding for Elder Abuse

As Information and Assistance Specialist for the Wood County Department of Aging, I support increased funding for elder abuse services and statutory language changes to update the delivery of services to adults at risk. In 1999, $23,827,000 was distributed by and reported to the Department of Health and Family Services for child abuse and another $7,582,000 for domestic abuse services. Currently there is only $625,000 available to 72 counties to serve the vulnerable elderly population. This population is far more difficult to reach because they are isolated and invisible. With the graying of America and with a 35% increase in reported elder abuse cases in Wisconsin since 1990, we must address this growing need. With additional funding and changes in the law, we can strengthen this support system.

Melanie Cullen
Melanie Cullen
Information and Assistance Specialist

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WISCONSIN COUNCIL ON DEVELOPMENTAL DISABILITIES

WCDD

Promoting Independence and Equality

To Senator Alberta Darling

From Jim Strachota, Chairperson

My name is Jim Strachota, Director of Comprehensive Community Services Agency of Washington County and Chair of the Wisconsin Council on Developmental Disabilities. The written testimony provided will highlight many of WCDD's Legislative Initiatives, which include Waiting Lists, Children's Issues, Community Aids, Direct Service Workforce Shortage, Mental Health Services and Supports, and the State Centers for the Developmentally Disabled. I have also attached a copy of our Legislative Initiatives for your review.

Waiting Lists

- The Community Integration Program (CIP) and the Community Options Program (COP) are Medicaid Waiver Programs that allows the use of Medicaid funds for long-term support services in community settings. CIP supports people relocating from the three State Centers for the Developmentally Disabled, nursing homes, and intermediate care facilities to their home communities and COP provides assessments, case plans and community services as an alternative to nursing home placements. Currently, there are over 4000 people are waiting for CIP state funding even though federal funding exists. Similarly, over 2200 with physical disabilities are waiting for COP Waiver funding. In order for individuals with disabilities to receive these services, WCDD supports an increase in $48 million annually.

- The Family Support Program provides flexible funding for needed services, support, and information to families with children with severe disabilities. Currently Family Support has 2,333 families on a waiting list and 540 families that are underserved. An additional 3,032 families are estimated to be eligible and in need of the Program, yet have not applied. This vital program acts as a preventive mechanism for placing children out-of-home and giving needed respite to families. The WCDD urges the Legislature to increase state funding by $2.5 million in the first year and $5 million in the second year for the Family Support Program.

Children's Issues

- Birth to Three is a federal entitlement program that enables infants and toddlers who have a disability or a developmental delay to receive services. These critical services, imperative for the healthy development of young children in Wisconsin, are at risk due to potential changes in the definition of eligibility for the Program and increases in costs to parents through an "ability to pay" formula. For this reason, WCDD is requesting an increase of $2 million in state funds in each year of the biennium to increase funding for the Birth to Three program entitlement.

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- Access to flexible, affordable, and quality respite, regardless of disability, income, or age is essential to the safety of children with disabilities, the health of primary caregivers, and the cost-savings of the state. WCDD supports the continuation and expansion of the Lifespan Respite Care Projects. This would require an increase of $225,000 in state funds for each year of the biennium.

- State and federal law requires school districts to provide all students with disabilities age 3 through 21 with appropriate educational opportunities in the least restrictive environment. Currently the state is funding 35% of special education categorical aids and this budget would reduce aids to 32.7%. WCDD urges the Legislature to increase the rate of reimbursement to 50%, thus decreasing the strain for local governments and between families in these school districts. The Department of Public Instruction also proposed a 90% reimbursement rate for high cost children (above three times the average level), which the Council fully supports.

- Finally, Governor McCallum's budget proposed to direct DHFS to apply for a waiver of federal MA statutes and regulations to implement a redesign of the long term care system for children. However, no state funds were allocated for servicing the proposed 4-8 pilot counties. The Children's Long Term Support Committee, in collaboration with DHFS and WCDD, developed a plan for a parent-directed system that would reduce the complexity and fragmentation that currently exists. In order for services to be provided in the pilot counties, $1.3 million the first year and $3.3 million the second year of the biennium needs to be allocated in state funds.

Community Aids

- In 1974 when Community Aids was established the state and federal government paid for 90% of the funding for county-run human services. Counties were required to provide a 10% match in order to receive the federal and state funding. Although the costs of services has increased, the State's contribution has no, causing many counties to provide an "overmatch". WCDD believes that county-run supports for people with disabilities is best and that funds need to be increased to enable them to provide services to individuals. For this reason WCDD asks for increasing state funding by 3% each year of the biennium in additional to state funding to compensate for federal block grant cuts.

Direct Service Workforce Shortage

- The lack of qualified direct service workers is a major issue affecting the quality of life and safety of people with disabilities. A workforce crisis exists due to the lack of people entering the field and the inability of employers to provide workers with the wages and benefits they deserve. WCDD supports increasing wages and benefits to amounts sufficient to recruit and retain workers. This would amount to an increase of $30 million in state funds for the first year and $60 million increase in the second year of the biennium.

Mental Health Supports and Services

- The Governor's Blue Ribbon commission on Mental Health Care recommended many provisions for adults and children with mental health concerns that were not fully funded and implemented. One of the recommendations indicated improving mental health consumer

self-determination. Currently, DHFS uses Mental Health Block Grant funds to support a variety of activities to increase the availability of consumer-operated services throughout the state and provide information, education, advocacy, and support to families of individuals with mental illnesses. WCDD supports an increase of $274,000 in year one and $524,000 in year two of the biennium to expand consumer and family support activities and increase the Consumer Relations Coordinator position to full-time.

State Centers for the Developmentally Disabled

- Currently there are 844 people living in the three State DD Centers. WCDD supports closing two of the three State Centers over the next three years, because WCDD believes that every individual is able to live in their home community. In fact, at a recent Legislative Council Study Committee meeting DHFS stated that all residents currently living in the State Centers could live in the community.

The Wisconsin Council on Developmental Disabilities is required by state and federal statute to advise the legislature and Governor on the needs of individuals with disabilities.

PUBLIC TESTIMONY TO THE JOINT FINANCE COMMITTEE

IN MADISON

FROM PINE VALLEY HEALTHCARE AND REHAB. CENTER

I'd like to thank you for the opportunity to speak to you today and represent the staff and residents of Pine Valley Healthcare and Rehabilitation Center. My name is Kathy Cianci and I live in Richland Center. I am the administrator for Pine Valley Healthcare and Rehab. Center which is the county-owned Nursing Home for Richland County.

We provide long-term stays, short-term rehabilitative stays, a special care unit, birth to three therapy, adult day care, respite care, and outpatient therapy to the community. We are currently at 111 beds with 9 banked beds. We just requested an additional bed from our banked account which will take eighteen months to receive.

Pine Valley has a long tradition of meeting the healthcare needs of the community, particularly residents who are difficult-to-care-for or to place. We have been right-sizing the facility over the course of the past six to seven years. We have recently had to turn away admissions due to non-availability of beds. This has resulted in placement of county residents outside of the community and forced those folks to seek physician

services from new physicians as their doctor doesn't travel to the further nursing home. The continued erosion of the medicaid reimbursement has necessitated such close management of cash flow that the ability to maintain a sufficient number of available nursing home beds has become an impossibility. The occupancy penalty in the medicaid reimbursement formula is too significant to allow for the flexibility of leaving enough beds for census fluctuations to meet the need of the local hospital and community. Although the current Intergovernmental Transfer Program does reimburse for some of the losses due to occupancy, the uncertainty of the future of this program has caused providers to maintain fewer beds to meet the occupancy requirement and, therefore, manage the daily medicaid rate going forward.

I am asking you to support the proposed expansion of the Intergovernmental Transfer Program or ITP and the additional Medicaid funding that would be generated under ITP.

Additionally, I am asking you to close the "rading" of the "trust fund" ' created by the expansion of the ITP Program for other purposes than those proposed in SB55/AB144.

This is vital for our rural nursing home, our community, the staff and residents, and your constituents. Pine Valley Healthcare and Rehabilitation

Center is dedicated to providing quality, cost-effective care to all who seek our services. We have had very good survey results for the past 5 to 6 years. My concern is that providing quality, cost effective care has moved beyond the "challenging" genre toward the "impossible" arena due to inadequate medicaid funding. Nobody wins if quality care begins to be compromised. The expansion of the ITP program ensures new funding. However, due to the historic erosion of the medicaid reimbursement rate, these funds will begin the "catch-up" to restore the significant ground that has been lost over the past ten years. Additionally, the medicaid program has cut coverage for more and more items that were once covered, i.e. types of wheelchairs, specialty bed-sore preventing mattresses and dental coverage. The provider has been forced to absorb these additional costs.

The cost of doing business has risen significantly as well. Utilities have risen 5.5 %.

Raw food has increased 10%, and 9% in medical supplies. Our most important asset: our employees have received a 3.5% increase.

We cannot continue to tax our other residents to offset the medicaid shortfall. Medicaid needs to cover the cost of care now more that ever.

Medicare has gone to a capitated system which has resulted in increased

losses in this reimbursement system. There is no cost shifting to be done. There is no other reimbursement system to offset the medicaid losses. Medicaid needs to begin to cover the cost of nursing home care now.

The necessity of this grows more urgent every day as more and more residents become dependent on the medicaid program for care. Pine Valley received approximately 66-70% of it's revenue from the Medicaid program three years ago. Today, that figure is closer to 80%.

We have taken steps to be more efficient.

*we brought therapy staff in-house

*we increased our outpatient therapy

*we took advantage of the wage pass thru

*we banked and decertified beds

*we perform our own billing whenever possible

*we partner with the other Nursing Home in town for training

We will not be able to sustain quality care at affordable prices without adequate medicaid funding. Our elderly parents, grandparents, aunts and uncles deserve the best!

On behalf of our residents and staff, your constituents, I ask you to support the ITP program and protect the "trust fund" for future nursing home residents. Let's take care of our elderly. Without this commitment

to funding, our rural nursing homes may not be permitted to retain their commitment to quality care for those they serve.

Thank you for the opportunity to ask for your support.

Hello My name is Linda Bedard and I am the parent of two children. I have an 11yr old daughter and a 4 yr. old son with special needs. Alexander was born with Prune-Belly Syndrome, Scoliosis, Kyphosis, Craniostasis, and severe hearing loss as well as many other anomalies. He has a tracheostomy and is oxygen dependent and partially ventilator dependent. He is considered medically fragile. He has spent almost half of his life in hospitals ill or having surgery. He has many more surgeries ahead of him.

Alex requires 24 HR one on one care from skilled nurses or my husband or myself who has had extensive medical training to meet his medical needs. If there is no nurse to care for him, my husband or I must take off work to be with him. When this happens we lose income from an already tight budget. He needs someone to stay awake with him all day and all night to monitor equipment and machinery he uses during the day and his ventilator during the night. This can be very tiresome for all of the family. If there is no nurse to care for him during the night, a decision must be made whether my husband or I will care for him at night and which one of us can take the time from work and which one of us can do the next day's activies for the whole family. We have to manage our time very carefully.

Our apartment is what our budget allows and is quite small. Alex's room is the living room which has cabinets of medical supplies. A cart of machinery and several large oxygen tanks. Our basement is full of supplies like a hospital.

If Alex needs to leave the house he needs to have a lot of equipment to be carried with him at all times to be ready for any emergency. It is a coordinated effort to leave the house.

Being Alex's parents has been very hard. We miss out on the little things. We cannot hire a baby-sitter for him so we can go to the movies. We take turns being out of the house for work, for groceries, for recreation. Only recently did my husband and I have the opportunity for an evening away. The first since Alex was born 4 years ago.

It is not easy being Alex's sister. My daughter has had to give up school functions and clubs because we were unable to leave the house with Alex while I cared for him alone and my husband was at work in the evenings. She has had to spend time in hospital waiting rooms and ICU units. She has had to learn about oxygen and how to help with Alex. She has missed a lot.

We applied for the Family Support Program when Alex was 6 weeks old. We were on the waiting list for almost 3 years. At one point we considered not reapplying because it seemed hopeless to keep waiting.

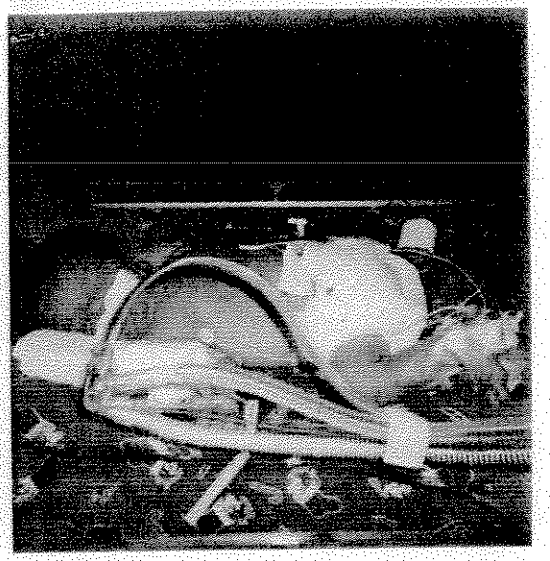
Family support has provided for things that Insurance or Medical Assistance does not cover. Special diapers and supplies that make things a bit easier for him and us as a family.

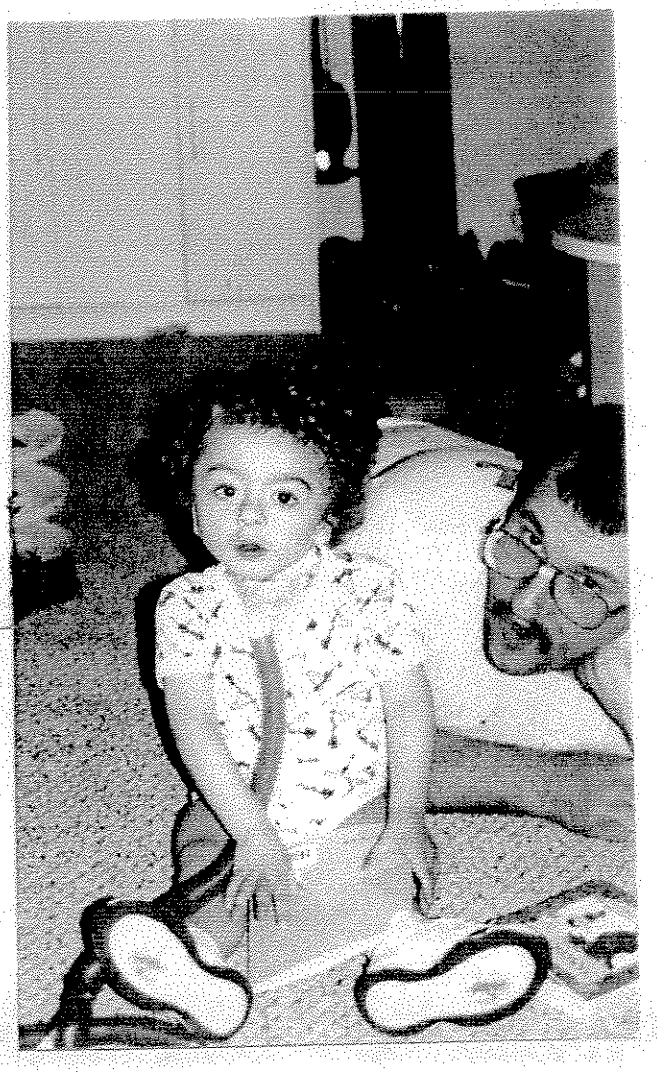
Family support gave us as a family help in staying together. We received marriage counseling to be able to deal with the stress of this "new family life." Without Family Support my husband and I would surely be divorced by now and have gone our separate ways and Alex would need even more help than now.

We receive information and help with our daughter. She is now able to attend activities in the community with her peers. She is making friends and feeling better about herself and her life. She is now thriving as a young child and not a little adult with a sick brother.

Family support is a wonderful program and I only wish more families could benefit from this program. It is very hard being a parent of a child with needs. Every bit of help and support is well appreciated and needed.

Thank You for Listening,
Linda Beard





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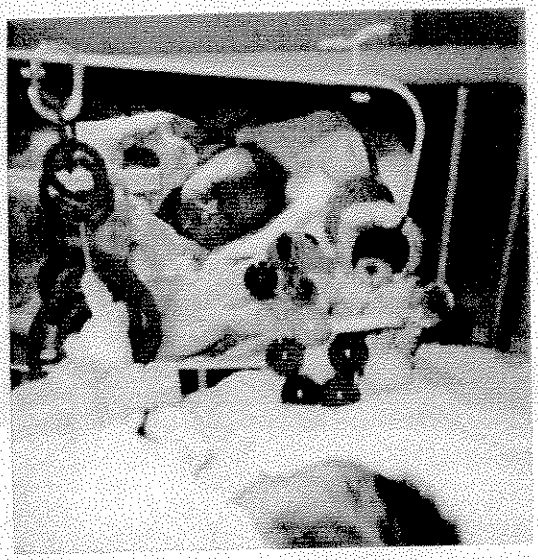

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