

2003 DRAFTING REQUEST

Bill

Received: **09/17/2002**

Received By: **rryan**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Blaine**

This file may be shown to any legislator: **NO**

Drafter: **rryan**

May Contact:

Addl. Drafters:

Subject: **Health - long-term care**
Health - medical assistance

Extra Copies: **DAK**

Submit via email: **NO**

Pre Topic:

DOA:.....Blaine -

Topic:

CIP II enhanced rate for persons relocated from nursing homes

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/P1	rryan 09/30/2002	jdye 09/30/2002	jfrantze 09/30/2002	_____	sbasford 09/30/2002		

FE Sent For:

<END>

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				9/30			

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DHFS

Department of Health and Family Services
2003-2005 Biennial Budget Statutory Language Request
July 16, 2002

CIP II Enhanced Rate

Current Language

The current budgeted rate for CIP II slots is \$41.86 per day. As with other MA reimbursement rates, legislative action is required to increase or decrease the rate.

Proposed Change

Create language that authorizes the Department to establish an enhanced rate for any CIP II slot created when an individual is relocated from a nursing home and the nursing home bed is closed. Specify that the enhanced rate will be set according to a formula established by the Department. Specify that the Department can establish the enhanced rate for any slot created after the effective date of the statutory change.

Effect of the Change

The change would allow the Department to establish a CIP II rate for nursing home relocations that is higher than the rate budgeted for existing slots.

Rationale for the Change

The CIP II program serves individuals who are elderly or physically disabled. Current law allows CIP II slots to be created when a licensed nursing home closes in the state. CIP II slots can be created by the Legislature in the biennial budget. In addition, the Department can choose to create a CIP II slot if a filled nursing home bed closes and the individual who occupied the bed relocates to the community.

The current CIP II rate does not fully cover the average cost of care in the community for individuals relocating from nursing homes. People who relocate from nursing homes generally need more paid services than those entering the CIP II program from the community because they tend to have fewer natural supports to assist in their care (such as neighbors or relatives) and because their physical condition and independent living skills may have deteriorated while in the nursing home. Because the current CIP II rate is below actual cost of relocating an individual, many individuals who would want to live in the community must remain in the nursing home unless the county is willing to provide county funding to supplement the cost of care. With the authority to establish an enhanced rate, the Department could encourage more relocations from

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nursing homes. The enhanced rate would help the Department reduce the number of institutionalized individuals who are waiting to be served in the community, consistent with federal directives in response to the U.S. Supreme Court's Olmstead decision. This approach also decreases the utilization of nursing homes, which are generally more costly settings to serve individuals than the community. Encouraging more relocations from nursing homes is therefore a cost-effective policy for the state, especially in the long term.

The Department has authority under current law to create enhanced rate CIP 1B slots (the waiver program for individuals with developmental disabilities) when ICFs-MR close or downsize significantly. This proposal would mirror the approach already used in that waiver program.

Desired Effective Date:	Upon passage
Agency:	DHFS
Agency Contact:	Andy Forsaith
Phone:	266-7684



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-0090/P1

RLR:.....

In 9/30/02

JLD

DOA:.....Blaine – CIP II enhanced rate for persons relocated from nursing homes

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

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- 1 AN ACT ...; relating to: enhanced reimbursement for services provided to persons
- 2 relocated from nursing homes under the Community Integration Program.

Analysis by the Legislative Reference Bureau

* HEALTH AND ~~FAMILY~~ ^{HUMAN} SERVICES

MEDICAL ASSISTANCE

Currently, DHFS administers the Community Integration Program (CIP II), under which counties provide home and community-based care services to elderly or physically disabled people living in the community who are eligible for Medical Assistance and who meet the level of care requirements for a nursing home or intermediate care facility. A person may enroll in CIP II either upon leaving institutional care or as an alternative to entering institutional care. DHFS is required to establish a uniform daily rate for CIP II and reimburse counties up to that rate for each person enrolled in CIP II.

This bill allows DHFS to pay counties an enhanced daily rate for CIP II participants who enroll in CIP II upon leaving a nursing home if the nursing home bed utilized by the person is delicensed when the person leaves. The bill requires that DHFS develop and utilize a formula for determining the enhanced rate.



State of Wisconsin
2003 - 2004 LEGISLATURE

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