

2005 DRAFTING REQUEST

Bill

Received: 07/12/2005

Received By: dkennedy

Wanted: As time permits

Identical to LRB:

For: Carol Roessler (608) 266-5300

By/Representing: Herself

This file may be shown to any legislator: NO

Drafter: dkennedy

May Contact:

Addl. Drafters:

Subject: Health - medical assistance

Extra Copies:

Submit via email: YES

Requester's email: Sen.Roessler@legis.state.wi.us

Carbon copy (CC:) to: robin.ryan@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

Diversion from nursing homes under CIP II

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>
/?	dkennedy 07/27/2005	kfollett 07/28/2005		_____			S&L
/1			jfrantze 07/29/2005	_____	sbasford 07/29/2005	sbasford 08/29/2005	

FE Sent For:

<END>

↳ At Intro.

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/?	dkennedy	1/1 GF 7/28		J/Self 7/29			

FE Sent For:

<END>

Deborah -
Marcie will be calling to invite you to a
mtg. to look @ nursing home diversion.
The 1st two pages are from DHTS and
explain what could have been done as
part of the 2005-07 budget bill. The 3rd
page is from CWAB.
The mtg. will include DHTS, CWAB, Laura
Rose and Sen. Darling. The

Carol Roessler

STATE SENATOR
18th Senate District

Goal will be to determine
the best way to pursue
nursing home diversion leg.



As you Requested...
For Your Information...
Other...

Thanks -
Jennifer

Stegall, Jennifer

Call 770-005 Tom Frazier

From: Forsaith, Andrew
Sent: Tuesday, June 07, 2005 6:29 PM
To: Morgan, Charlie
Cc: Johnston, James; Milioto, Steve; Moyer, Andrew - Office of Governor Jim Doyle; Plona, Katie - Office of Governor Jim Doyle; Stegall, Jennifer; Frye, Judith; Bove, Fredi-Ellen; Helgerson, Jason; Hermes, Ron; Megna, Richard; Nelson, Helene
Subject: Nursing Home Diversions
Attachments: Diversion slots.xls



Diversion slots.xls
(18 KB)

Charlie -- I'm writing to provide more analysis on the proposal that Tom Frazier discussed with Senator Roessler's office to fund nursing home diversions under the Community Relocations Initiative.

Under the proposal, 100 individuals at imminent risk of entering the nursing home would be diverted and served under the CIP II program. The proposal assumed that additional GPR would need to be added to MA budget to fund the individuals' community costs.

After further analysis, we have concluded that the diversions would not result in a GPR increase. This is because the diversions would free up funding in the nursing home budget which can be used to fund the waiver costs for the diverted individuals. Two actions would be needed in the budget in order to accomplish the proposal:

- 1) A transfer of funding from the MA fee for service budget to the MA waiver budget. This would be a transfer of funds between two "numerics" within the MA "alpha" appropriation. In the attached sheet, I calculated the amount that would transfer and show the necessary file maintenance.
- 2) An amendment to section 869 of the budget bill to allow us to offer an enhanced CIP II rate for diverted individuals. The budget bill provides DHFS the authority to offer enhanced rates for individuals relocated to the community. The Department would need the same authority for diverted individuals, because some of those individuals would have community costs above the current CIP II rate. The amendment would consist of adding the phrase "or diverted from imminent entry into a nursing home" in page 467, line 1 of AB 100. I'll fax you a marked up copy of that page.

Please call with any questions.

46.277(5)(g) - See version as affected by Jt. Fin Sub.

Diversion slots under the Community Relocations Initiative

	<u>FY 06</u>	<u>FY 07</u>
Diversions in FY 06		
Diversions	100	100
Days	182.5	365
Waiver costs per day <i>(average)</i>	\$ 38.54	\$ 39.30
<i>(per assumptions in the Community Relocations cost model)</i>		
Cost	\$ 703,355	\$ 1,434,450
Diversions in FY 07		
Diversions		100
Days		182.5
Waiver costs per day		\$ 39.30
Cost		\$ 717,225.00
Total Cost	\$ 703,355	\$ 2,151,675
GPR (Transfer from FFS to Waiver Budget)	\$ 296,675	\$ 916,614

File Maintenance		<u>FY 06</u>	<u>FY 07</u>
Alpha	Numeric		
(4)(b)	404	\$ (296,675)	\$ (916,614)
(4)(b)	471	\$ 296,675	\$ 916,614
Total		\$ -	\$ -

CWA-6

Nursing Home Diversion Proposal for 2005-07 Budget

Overview: Notwithstanding various LTC Reform efforts underway in Wisconsin, there are still many elderly people and people with disabilities admitted to nursing homes every year who a) do not want to be there, b) could continue to live in their own home or other community-based living situation (if services were available), and c) will cost more to serve in the nursing home than it would have cost to serve them in the community.

The Governor's Community Relocation Initiative (especially after the 100 day requirement was added by the Joint Finance Committee) will not help people at risk of an inappropriate new admission.

Proposal: Earmark half of the projected \$9 million savings (all funds) i.e., \$4.5 million (for the biennium) which would result from 1,440 community placements under the Community Relocation Initiative, to create a new Nursing Home Diversion Program. Under this program, counties would have to apply for funding for each individual, meeting a burden of proof that an inappropriate nursing home admission is clearly imminent. DHFS would have to approve each individual plan submitted.

It is estimated that the average cost per person diverted would be lower than the average cost of relocations from nursing homes (\$93.43/day average for CY03 and CY04 combined), but higher than the average cost in the CIP II program (\$41.86/day). For the estimates shown below the projected cost is \$60/day.

Projections (all funds)

	Year 1	Year 2	Total
100 diversions in Yr. 1 (average 180 days in Yr.1; 365 in Yr. 2 @ \$60/day)	\$1,080,000	\$2,190,000	\$3,270,000
100 diversions in Yr. 2 (average 180 days @ \$60/day)	---	\$1,080,000	\$1,080,000
	\$1,080,000	\$3,270,000	\$4,350,000

\$4,350,000. All Funds 100 diversions should save \$4.6M
 - 1,600,000. Savings based on LFB Paper #387 that estimates that home and community care is \$22/day less than nursing home care.
 \$2,750,000.
 x 40% GPR Funds
 \$1,100,000 GPR*
 add spending 100 diversions

* Even greater savings are possible based on most recent DHFS actual relocation numbers that indicate a savings of \$36.00/day instead of \$22/day. (This provides an additional total savings of \$7.2 million all funds.)

ENGROSSED ASSEMBLY BILL 100

SECTION 869

SEC 869

*who is diverted
from imminent
entry into a nursing home or*

1 46.277 (5) (g) The department may provide enhanced reimbursement for
 2 services provided under this section to an individual who has resided in a nursing
 3 home for at least 100 consecutive days and who is relocated to the community from
 4 a nursing home by a county department on or after July 26, 2003 the effective date
 5 of this paragraph ... [revisor inserts date], if the nursing home bed that was used by
 6 the individual is delicensed upon relocation of the individual number of individuals
 7 served under this paragraph does not exceed the number of nursing home beds that
 8 are delicensed as part of plans submitted by nursing homes and approved by the
 9 department. The department shall develop and utilize a formula to determine the
 10 enhanced reimbursement rate.

SECTION 872. 46.2785 of the statutes is created to read:

46.2785 Community Opportunities and Recovery Program. (1)

DEFINITIONS. In this section:

- 14 (a) "Nursing facility" has the meaning given in 42 USC 1396r (a).
- 15 (b) "Serious mental illness" has the meaning given in 42 CFR 483.102 (b) (1).
- 16 (c) "Waiver program" means the Community Opportunities and Recovery
 17 Program for which a waiver has been requested under sub. (2) and granted under 42
 18 USC 1396n (c).

19 (2) **WAIVER REQUEST.** The department may request a waiver from the secretary
 20 of the U.S. department of health and human services, under 42 USC 1396n (c),
 21 authorizing the department to serve in their communities medical assistance
 22 recipients who meet eligibility requirements specified in sub. (4) by providing them
 23 home or community-based services as part of the Medical Assistance program. If the
 24 department requests the waiver, it shall include all the assurances required under

7/12/05 Tom Frasier, Sen. Roessler, Laura Rose, Sen Darling,
DHFS, Lynn Breedlove (on phone), Judy Frye,

See "relocation initiative" in budget bill: 46.277(5)(g)
et al

Frasier: add diversion language to relocation lang.
May be budget neutral - DHFS says so

Q: Dealing w/ persons already on
waiting lists or ~~not~~ others, as
well? - He wants both: wants to
work on criteria for this:

"immed jeopardy of h care"

Lynn Breedlove: Agrees, bec. cos differ on how treat
waiting lists

Sen Roessler: wants imminent jeopardy

DHFS: Concern about those on list for long time
Preplanning before MA eligibility is a
timing problem

Imminent risk is hard to define:
out of money is one indicator

She suggests top third of wait list - cos can
judge from care plans

Lynn: Is harder to achieve budget
neutrality if don't deal w/ waiting
list

Note: Currently, if CBRF doesn't tell person when assets will run out, person isn't eligible for waiver program later - needs to be fixed

Mamie sorts "at the door"

Andy Forsyth: Referred to memo

CIP II Rate: \$41.86

Sen Roeseler: Are wanting this to be ongoing
use language suggested by Andy Forsyth:

A.M. 46.277(5)(g)

"who is diverted from imminent entry into a nursing home or"

~~Jan~~

DHFS to report to legis. by ^{Jan} March 1, 2007, re results of ~~division initiative~~

→ implementation of
divisions from
nursing homes under
s. 46.277(5)(g)



SOON - In edit 7/27
State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-3349/7

DAK: [signature]

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

Gen

1 AN ACT ...; relating to: expanding relocations from nursing homes under a
2 community integration program to include persons who are diverted from
3 imminent entry into nursing homes.

Analysis by the Legislative Reference Bureau

X

Under current law, as affected by 2005 Wisconsin Act 25 (the biennial budget act), the Department of Health and Family Services (DHFS) is authorized to pay an enhanced rate for Medical Assistance Program services that are provided to individuals who, under a waiver of federal Medicaid laws, are relocated from nursing homes under a community integration program (commonly known as "CIP II"). The number of individuals served may not exceed the number of nursing home beds that are delicensed as part of plans submitted by nursing homes and approved by DHFS.

This bill expands CIP II, under which individuals in nursing homes are relocated to the community, to include individuals who are diverted from imminent entry into nursing homes.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

4 SECTION 1. 46.277 (5) (g) of the statutes, as affected by 2005 Wisconsin Act 25,
5 is amended to read:

Basford, Sarah

From: Stegall, Jennifer
Sent: Saturday, August 27, 2005 6:09 PM
To: LRB.Legal
Subject: Draft review: LRB 05-3349/1 Topic: Diversion from nursing homes under CIP II

It has been requested by <Stegall, Jennifer> that the following draft be jacketed for the SENATE:

Draft review: LRB 05-3349/1 Topic: Diversion from nursing homes under CIP II