Wisconsin Department of Administration
Division of Executive Budget and Finance

Fiscal Estimate - 2011 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number **11-3761/1**	Introduction Number **SB-380**

Description
Removing cap on enrollment of Family Care and other long-term care programs

Fiscal Effect

State:
- ☒ No State Fiscal Effect
- ☐ Indeterminate
  - ☐ Increase Existing Appropriations
  - ☐ Decrease Existing Appropriations
  - ☐ Create New Appropriations
  - ☐ Increase Existing Revenues
  - ☐ Decrease Existing Revenues
  - ☐ Increase Costs - May be possible to absorb within agency's budget ☐ Yes ☐ No
  - ☐ Decrease Costs

Local:
- ☒ No Local Government Costs
- ☐ Indeterminate
  1. ☐ Increase Costs ☐ Permissive ☐ Mandatory
  2. ☐ Decrease Costs ☐ Permissive ☐ Mandatory
  3. ☐ Increase Revenue ☐ Permissive ☐ Mandatory
  4. ☐ Decrease Revenue ☐ Permissive ☐ Mandatory
  5. Types of Local Government Units Affected
     ☐ Towns ☐ Village ☐ Cities
     ☐ Counties ☐ Others
     ☐ School Districts ☐ WTCS Districts

Fund Sources Affected
☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEGS

Affected Ch. 20 Appropriations

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DHS 2/8/2012

LRB Number **11-3761/1**	Introduction Number **SB-380**	Estimate Type **Original**
Description Removing cap on enrollment of Family Care and other long-term care programs		

Assumptions Used in Arriving at Fiscal Estimate

2011 Wisconsin Act 32 provides that enrollment in Family Care, PACE, Partnership and IRIS long-term care programs in the 2011-13 biennium be limited to the number of individuals enrolled in these programs as of June 30, 2011. The act also prohibits expansion of these programs to new areas of the state, unless the Department determines that expansion of these programs would be more cost effective than current long-term care service systems in that area. Act 32 allocates $5.0 million GPR in SFY 12 and $5.0 million GPR in SFY 13 from the Medicaid appropriation for the specific purpose of providing long-term care services to individuals in urgent need of long-term care services.

This bill would repeal these three provisions, allowing the Department to increase enrollment and to allocate the $5.0 million GPR in SFY 12 and SFY 13 to Medicaid benefits.

Based on an analysis of current waitlists and recent enrollment trends, the Department initially estimated that this bill would increase Medicaid expenditures by approximately $80.4 million GPR ($201 million AF) in the 2011-13 biennium. After a more detailed analysis of waitlist individuals' care needs and available supports, the Department now estimates that the cost would equal $71.9 million GPR ($179.1 million AF).

However, the Department is pursuing initiatives to improve the efficiency and effectiveness of Family Care, PACE, Partnership and IRIS programs while maintaining individuals in the most cost effective and least restrictive setting possible.

The savings reforms that the Department will or is implementing include:
- Family Care Benefit – Balancing cost effectiveness with choice and focusing on strength based care plans and natural supports ($9.0M GPR, $22.6M AF). ($8.6M GPR of these savings are reflected in the $71.9M GPR cost estimate above.)
- Residential Services – Supporting the most integrated, community-based settings for long-term care supports ($14.1M GPR, $35.2M AF).
- IRIS and Self-Directed Supports – Improving program integrity and accountability, supporting choice, and aligning budget allocations to be more consistent within IRIS and with Family Care ($1.3M GPR, $3.2M AF).

- Living Well at Home and in the Community – Supporting people so they can remain healthy and safe at home without the need for more comprehensive long-term care services ($54.5M GPR, $134.0M AF)
- Youth in Transition and Employment Supports – Develop and maintain integrated employment and living settings for youth that transition from children's to adult services, and address the needs of families so they can continue to work after their child graduates from school. Ensure a continuum of employment supports in Family Care, IRIS, PACE and Partnership ($1.0M GPR, $2.5M AF).
- Administrative and Program Efficiencies – Implement strategies to streamline program and administrative processes in Family Care to better align operations with current and future needs, to improve management, and to reduce program costs ($.5M GPR, $1.25M AF).

By implementing these measures, the Department estimates that enrollment in Family Care and other long-term care programs may occur without increasing GPR costs. As a result, this bill has no fiscal effect.

Long-Range Fiscal Implications