



Legislative Fiscal Bureau

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TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Assembly Bill 788: Funding for Dementia Care Specialists

Assembly Bill 788 was introduced on January 22, 2016, and referred to the Assembly Committee on Mental Health Reform. The Committee adopted Assembly Amendment 1 and recommended the amended bill for passage by a vote of 10 to 0.

As amended, the bill would provide funding for the Department of Health Services (DHS) to support additional dementia care specialist (DCS) positions in counties with populations under 150,000, beginning in 2016-17. In addition, the amended bill would convert, from one-time funding to ongoing funding, \$960,000 GPR provided in 2016-17 in 2015 Wisconsin Act 55 (the 2015-17 biennial budget act) to support DCS positions. The bill would also provide funding to support 1.0 GPR position in DHS, beginning in 2016-17, to train DCS positions at aging and disability resource centers (ADRCs). Finally, it would require DHS to submit a report to the Joint Committee on Finance by July 1, 2017 regarding the DCS training position's activities.

BACKGROUND

The Department of Health Services (DHS) is engaged in an initiative to redesign the state's dementia care delivery system. The goals of this initiative are to ensure that individuals with dementia receive appropriate, safe, and cost-effective care, that individuals with dementia are not unnecessarily or inappropriately placed in institutions, and that the burden on families and caretakers related to caring for persons with dementia is reduced.

As a part of this redesign, the Department has implemented a program to fund dementia care specialist (DCS) positions in certain aging and disability resource centers (ADRCs). There are currently 41 ADRCs, serving all 72 Wisconsin counties, which offer information and assistance regarding privately and publicly-funded long-term care programs to community members, as well as conduct eligibility screens and enrollment counseling for publicly-funded long-term care programs. As a part of an ADRC's operations, DCSs provide cognitive screening and programs that engage individuals with dementia in regular exercise and social activities, promote

independence for individuals with dementia, and provide support to caregivers and communities.

In the 2013-15 biennium, DHS began awarding grants for DCS positions to certain ADRCs and tribes. DHS funded these positions by reallocating base funding budgeted for ADRC operations that would have otherwise remained unspent. DHS provided these grants on a one-time basis through a competitive application process, which required grant applicants to demonstrate how the DCS would achieve the goals and accomplish the activities described above. Five of nine applicants were awarded funding in 2013, and 11 of 18 applicants were awarded funding in 2014. The current 16 positions provide services in ADRCs serving 26 counties, as shown in Table 1 below. In addition, the Department has awarded grants to fund three tribal DCS positions, which serve members of the Menominee, Oneida, and St. Croix tribes.

TABLE 1

Counties Served by DCS Positions

Ashland	Green	Lafayette	Rusk
Barron	Eau Claire	Manitowoc	Sawyer
Bayfield	Iowa	Milwaukee	St. Croix
Brown	Iron	Ozaukee	Washburn
Dane	Jefferson	Portage	Waukesha
Dodge	Kenosha	Price	
Grant	Kewaunee	Rock	

The initial grant contracts were scheduled to terminate on December 31, 2015. In his 2015-17 biennial budget recommendations, the Governor recommended that funding for ADRCs be increased by \$1,128,000 (\$960,000 GPR and \$168,000 FED) in fiscal year 2016-17 on a one-time basis to fund DCS services in ADRCs. This funding increase was based on the assumption that DHS would support 12 DCS positions for a one-year period, beginning in July, 2016, at a cost of \$94,000 (\$80,000 GPR and \$14,000 FED) per position. The Legislature adopted the Governor's budget recommendation without modification. The funding increase was budgeted as one-time funding. Consequently, without further action by the Legislature, this amount will be deleted from the agency's base budget for the 2017-19 biennium.

During the Legislature's consideration of the 2015-17 biennial budget bill, DHS indicated that these funds were provided with the intention of introducing these positions in various ADRCs around the state and encouraging ADRCs to find alternative funding sources to maintain the positions in the future. More recently, DHS has indicated that it plans to use the funding increase provided under Act 55, in combination with surplus ADRC funding in the current biennium, to continue the 19 current DCS positions (16 ADRC positions and three tribal positions) through 2016-17 without interruption.

The Department requires all DCS positions and ADRCs to record and report data on results for dementia-related activities quarterly, including cognitive screens, presentations and consultations in support of dementia-friendly communities, Memory Care Connections interventions, participation in Language Enriched Exercise Plus Socialization (LEEPS) programs,

and one-on-one consultations with health professionals, county agencies, crisis teams, law enforcement, and adult protective services staff, among others. The following table shows the number of DCS activities that were completed between December 1, 2014 and September 30, 2015 (the last reporting period for which information is available).

TABLE 2

**Activities of DCS Positions
December, 2014 through September, 2015**

<u>Activity</u>	<u>Number</u>
Referral to Services or Support Programs	2,728
Consultations with Community Organizations, Employers, and Related Groups	1,050
Presentations or Events	970
Memory Screens	375

SUMMARY OF BILL AND ASSEMBLY AMENDMENT 1

As introduced, Assembly Bill 788 would provide \$372,000 GPR to DHS for four additional DCS positions in fiscal year 2016-17 to serve counties with populations under 150,000. Under this provision, all Wisconsin counties would be eligible for DCS grant funding except for Milwaukee, Dane, Waukesha, Brown, Racine, Outagamie, Winnebago, Kenosha, and Rock. Of those counties, only Racine, Outagamie, and Winnebago do not currently have DCS positions.

In addition, as introduced, the bill would, in fiscal years beginning after 2016-17, require DHS to maintain the number of full-time equivalent (FTE) DCS positions as of fiscal year 2015-16, plus the additional DCS positions that would be provided in the bill.

DCS positions are funded from grants DHS provides to ADRCs, rather than as state positions. Assembly Amendment 1 would modify the bill to reflect that \$372,000 GPR in 2016-17 would be provided to DHS for grants for DCS positions, and that the \$960,000 GPR provided under Act 55 for DCS positions would be maintained in the agency's 2017-18 adjusted base budget. Under Assembly Amendment 1, DHS would be required to maintain funding to ADRCs for the number of DCS positions funded as of 2015-16, plus the additional positions provided in the bill.

In addition, AB 788 would provide \$93,000 GPR to fund 1.0 GPR position in DHS, beginning in 2016-17. This position would be responsible for training DCS positions in ADRCs, including educating employers and family members of employees about dementia-related issues. Under the bill as introduced, this funding would be provided in the GPR appropriation that currently funds ADRCs. Assembly Amendment 1 would instead fund the DCS training position in the appropriation that supports the Division of Medicaid Services general program operations.

Finally, AB 788 would require the Department to submit a report to the Joint Committee on Finance by July 1, 2017 regarding the DCS training position's activities, including staff and training activities.

FISCAL EFFECT

The bill, as amended, would provide \$372,000 GPR in ongoing funding to support four additional DCS positions in ADRCs. In addition, the bill would require DHS to increase the adjusted base in the appropriation that supports ADRCs by \$960,000 GPR for DHS to maintain the DCS positions existing in fiscal year 2015-16. Finally, the bill would provide 1.0 GPR position and \$93,000 GPR, beginning in 2016-17, for a DCS training position. Table 3 summarizes the fiscal effect of the bill, as recommended for passage by the Assembly Committee on Mental Health Reform.

TABLE 3

**GPR Fiscal Effect of AB 788, as Amended
Fiscal Years 2016-17 through 2018-19**

	<u>2015-16</u>	<u>2016-17*</u>	<u>2017-18*</u>
Contracted DCS Positions	\$372,000	\$1,332,000	\$1,332,000
Training Position (1.0 GPR FTE in DHS)	<u>93,000</u>	<u>93,000</u>	<u>93,000</u>
Total	\$465,000	\$1,425,000	\$1,425,000

* Reflects an increase to the agency's adjusted base funding level

As introduced, the bill would provide \$372,000 for four additional DCS positions. However, the positions have previously been funded at the level of \$94,000 (\$80,000 GPR and \$14,000 FED) per position to reflect the amount of GPR grant funding provided to ADRCs and the approximate amount of federal MA matching funds an ADRC could claim for the MA-eligible administrative work performed by each DCS. Therefore, the Committee could amend the bill to decrease funding by \$52,000 GPR in 2016-17 so that \$320,000 GPR, rather than \$372,000 GPR, would be budgeted for this purpose.

In addition, the amended bill requires the Department to maintain funding to ADRCs for the number of DCS positions existing in 2015-16, and requires the Department to increase base funding in the appropriation that funds ADRCs by \$960,000 GPR, which is intended to retain funding for all current DCS positions in the agency's 2017-18 base funding. However, \$960,000 GPR would only fund the 12 positions provided in Act 55, and not the four additional DCS positions and three tribal DCS positions currently funded by the Department. To resolve this discrepancy, the Committee could modify the bill to replace the reference to "\$960,000" in Assembly Amendment 1 to instead reference "\$1,520,000," to continue funding for all DCS positions funded in 2015-16. This potential change to the bill is referenced in the Department's fiscal estimate. Alternatively, the Committee could maintain the "\$960,000" reference in Assembly Amendment 1, and modify the bill to instead require the Department to continue funding for only those DCS positions authorized under Act 55.

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