



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #390

Children's Long-Term Care Waiver Expansion (DHFS -- Medical Assistance -- Long-Term Care)

[LFB 2005-07 Budget Summary: Page 255, #7]

CURRENT LAW

The children's long-term care (CLTC) home- and community-based waiver program was created under 2003 Wisconsin Act 33 to provide family-centered services to children with developmental disabilities and other long-term care needs and a single entry point for eligibility determinations and information in each county. Act 33 provided \$821,800 (\$341,800 GPR and \$480,000 FED) to support 53 waiver slots in five pilot counties and 40 slots for crisis situations statewide, beginning in January, 2005.

Children are eligible for the CLTC waiver if they meet functional and financial eligibility criteria that are similar to the Katie Beckett eligibility criteria. The functional criteria require a child to have a severe physical, emotional or mental impairment which is diagnosed medically, behaviorally, or psychologically and which is characterized by the need for individually planned and coordinated care, treatment, vocational rehabilitation or other services and which has resulted, or is likely to result in, a substantial functional limitation in at least two of the five following functions of daily living: (a) learning; (b) mobility; (c) receptive and expressive language; (d) self-direction; and (e) self-care. The financial eligibility criteria require that, in 2005, the child's income may not exceed \$1,737 per month and that countable assets may not exceed \$2,000.

GOVERNOR

Provide \$176,300 (\$74,400 GPR and \$101,900 FED) in 2005-06 and \$882,500 (\$375,600 GPR and \$506,900 FED) in 2006-07 to increase the number of slots available under the children's long-term care waiver program.

The funding would support 10 waiver slots in the current pilot counties and 10 statewide slots for children in crisis situations in 2005-06 and an additional 35 waiver slots in new pilot counties and 25 statewide slots for crisis situations in 2006-07.

DISCUSSION POINTS

1. The demand for CLTC services exceeds the number of CLTC slots that would be provided in the bill. DHFS indicates that 1,900 children under the age of 22 were on a waiting list for COP and MA waiver services, as of December 31, 2004. Individuals on waiting lists do not receive services available under the MA waiver programs, but are entitled to receive MA card services, such as drugs and physician care. Further, as of December 31, 2004, counties were supporting 171 locally-matched CLTC slots.

2. Counties are not limited as to the number of locally-matched CLTC slots that they may create. Under CIP IB, a waiver program that provides services to individuals with developmental disabilities, including children, who are relocated or diverted from intermediate care facilities for the mentally retarded, 72% of the CIP IB slots (6,873) were locally-funded at the beginning of 2004-05.

3. The total number of individuals on the COP and MA waiver waiting list at the end of calendar year 2004 was 10,783. Children represent approximately 18% of the individuals on these waiting lists. The Governor's budget bill includes several items to address the COP and MA waiver waiting list, including this item, the CIP II relocations item (page 253, Item #4 of the LFB Summary of the Governor's Budget Recommendations), and the Community Opportunities Recovery Waiver item (page 254, Item #6).

4. Alternative 2 provides the Committee with the option to support, in each year of the biennium: (a) zero new slots; (b) half the number of slots recommended by the Governor; (c) an equal amount of slots recommended by the Governor, with a minor funding adjustment to reflect reestimates of the federal MA matching rate in the 2005-07 biennium; or (d) twice the number of slots recommended by the Governor.

5. As of March 1, 2005, 10 of the budgeted crisis slots were filled, 25 slots were awarded to Milwaukee County and 28 of the 53 CLTC pilot slots had not been awarded. The Committee may wish to consider delaying the addition of new CLTC slots until DHFS is able to allocate the ones that were already approved.

ALTERNATIVES

1. Approve the Governor's recommendation to fund 20 CLTC slots, beginning in 2005-06, and an additional 60 CLTC slots, beginning in 2006-07.

2. Modify the bill to support the following number of CLTC slots, beginning in

January, 2006, and the following number of CLTC slots, beginning in January, 2007. The Committee should make one selection for slots beginning in January, 2006, and one selection for slots beginning in January, 2007. For instance, if options "c" and "g" were chosen, the Committee would be supporting the Governor's recommendations.

**Additional Slots Beginning in January, 2006
(\$ Change to Bill)**

	<u>2005-06</u>				<u>2006-07</u>			
	<u>Slots</u>	<u>GPR</u>	<u>FED</u>	<u>Total</u>	<u>Slots</u>	<u>GPR</u>	<u>FED</u>	<u>Total</u>
a.	0	-\$74,400	-\$101,900	-\$176,300	0	-\$150,700	-\$202,800	-\$353,500
b.	10	-37,200	-50,900	-88,100	10	-76,100	-100,600	-176,700
c.	20	0	0	0	20	-1,600	1,600	0
d.	40	74,300	101,900	176,200	40	147,500	205,900	353,400

**Additional Slots Beginning in January, 2007
(\$ Change to Bill)**

	<u>2005-06</u>				<u>2006-07</u>			
	<u>Slots</u>	<u>GPR</u>	<u>FED</u>	<u>Total</u>	<u>Slots</u>	<u>GPR</u>	<u>FED</u>	<u>Total</u>
e.	0	\$0	\$0	\$0	0	-\$224,900	-\$304,100	-\$529,000
f.	0	0	0	0	30	-112,500	-152,100	-264,600
g.	0	0	0	0	60	-100	100	0
h.	0	0	0	0	120	224,800	303,700	528,500

3. Delete provision.

<u>Alternative 3</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
2005-07 FUNDING (Change to Bill)	- \$450,000	- \$608,800	- \$1,058,800

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