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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: January 4, 2016

Re: DHS Report to JFC

Attached is a progress report on the development of the federal Medicaid waiver request to implement the reforms from the Department of Health Services, pursuant to Section 91.18(9)(d)2 of Act 55.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

AD:JN:jm



State of Wisconsin
Department of Health Services

Scott Walker, Governor
Kitty Rhoades, Secretary

December 30, 2015

The Honorable Alberta Darling, Senate Co-Chair
Joint Committee on Finance
Room 317 East
State Capitol
P.O. Box 7882
Madison, WI 53707-7882



The Honorable John Nygren, Assembly Co-Chair
Joint Committee on Finance
Room 309 East
State Capitol
P.O. Box 8953
Madison, WI 53708

Dear Senator Darling and Representative Nygren:

As you know, 2015 Act 55, the 2015-17 Biennial Budget, mandates implementation of significant reforms to the Family Care and IRIS programs.

Section 9118(9)(d)2 of Act 55 requires the Department to provide progress reports on the development of the federal Medicaid waiver request to implement the reforms. Please find attached the progress report for the December quarter.

Please contact me if you have any questions about this report.

Sincerely,


Kitty Rhoades
Secretary

Family Care/IRIS 2.0 Update

December 2015

Reforming the Family Care and IRIS Programs

2015 Act 55, the 2015-17 Biennial Budget, mandates implementation of significant reforms to the Family Care and Include Respect, I Self-Direct (IRIS) programs. It directs the Department of Health Services (DHS) to develop the necessary federal Medicaid waivers and state plan amendments to implement the reforms and consult with consumers, providers, and other stakeholders as it develops the reform design. Act 55 also requires DHS to provide quarterly updates to the Joint Committee on Finance on its progress in developing the reform plan.

The Department is currently developing the reform design. The Department has assembled an internal project team focused on the areas of statewide architecture, service delivery, regulatory compliance, finance, systems, and legacy waivers. The team is actively conducting research and analysis related to requirements set forth in the reform. The work of this project team will be shared in a concept paper to be submitted to the Joint Committee on Finance on April 1, 2016. In the coming months, the project team will continue developing the reform plan based on Act 55 requirements and testimony gathered through the multiple public hearings held across the state, as well as written testimony submitted to the Department. The Department also plans to conduct targeted outreach to other states that administer Medicaid managed care programs with goals similar to those contemplated by this reform. Because the reform plan is in the early development stages, the Department has had only preliminary conversations with the Centers for Medicare and Medicaid Services (CMS) to make them aware of the requirements set forth in Act 55.

Goals of the Reform

Wisconsin is a leader in delivering high quality managed and self-directed long-term care. Under the Family Care/IRIS 2.0 reforms, we see an opportunity to continue our leadership role by improving these services. The major goals of long-term care reform are to:

- Expand Family Care/ IRIS 2.0 statewide with no waitlists
- Provide consumers a choice of integrated health agencies (IHAs) in **every** region
- Allow consumer choice ranging from full self-direction to full managed care for long-term care services
- Ensure access to behavioral health services
- Manage and coordinate primary, acute, and behavioral health care
- Integrate medical and long-term care services, with a focus on the whole person
- Establish measurable health outcomes
- Improve the overall quality of life of long-term care members by focusing on achieving positive social outcomes.

Family Care/IRIS 2.0 Update #2

In addition achieving the overarching goals of long-term care reform, the Department will also comply with the requirements of Act 55, which include:

- Providing long-term, acute, and primary care services through regional IHAs
- Requiring IHAs to be licensed insurers, as required by state insurance law
- Requiring IHAs to offer a consumer-directed option with the same services as the current IRIS program
- Developing actuarially sound service regions.

Public Hearings

Act 55 directs the Department to hold no fewer than two public hearings to gather public input on the reform. Stakeholder input is highly valued by the Department, and therefore, the Department chose to hold eight public hearings. In order to keep stakeholders informed of the public hearings, the Department created a dedicated website (<https://www.dhs.wisconsin.gov/familycareiris2/index.htm>) and email distribution list accessible through the website. To further engage stakeholders, the Department made each hearing available through a live webinar. Those attending the webinar were able to submit their testimony which was then read at the public hearing. All but one of the public hearings/webinars was recorded. The seven recorded hearings are posted for viewing on the Department's website for those unable to attend. The public hearings, including the number of in-person attendees and number of viewers of the live webcast, are listed below:

- September 9, 2015 - Brown County Public Library, Green Bay, 5:00 pm - 8:00 pm
 - 64 in person (53 viewers of live webcast)
- September 21, 2015 - Northcentral Technical College, Wausau, 9:00 am - 12:00 pm
 - 88 in person (142 viewers of the live webcast)
- September 21, 2015 - Hayward High School, Hayward, 5:30 pm - 8:30 pm
 - 39 in person (57 viewers of the live webcast)
- September 23, 2015 - Goodman Community Center, Madison, 9:00 am - 12:00 Noon
 - 91 in person and 55 viewed livestream as it was being broadcast (270 viewers of the live webcast)
- September 28, 2015 – La Crosse Public Library Auditorium, La Crosse, 12:30 pm - 3:30 pm
 - 86 in person (81 viewers of the live webcast)
- October 6, 2015 - Wilson Park Senior Center, Milwaukee, 9:30 am - 12:30 pm
 - 158 in person (200 viewers of the live webcast)
- October 7, 2015 – Goodman Community Center, Madison, 5:30 pm – 8:30 pm
 - 118 in person (112 viewers of the live webcast)
- October 19, 2015 – Crowne Plaza, Madison, 9:00 am – Noon
 - Meeting with Providers and Payers (94 in person, No webcast)

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In addition to the opportunity to testify in person at the public hearings or live webinars, the public was able to submit written testimony by email or U.S. mail through October 30, 2015.

Additional Engagement of Stakeholders

In addition to the eight public hearings detailed above, the Department met with the following boards, councils, committees, and groups to gather input:

- Governor's Committee for People with Disabilities – September 10, 2015
- State Council on Alcohol and Other Drug Abuse – September 11, 2015
- Statutory Council on Blindness – September 17, 2015
- Advocate groups and Board on Aging and Long Term Care – September 29, 2015
- Tribal Long Term Care Study Group – October 22, 2015
- Wisconsin Council on Physical Disabilities – October 22, 2015
- Council on Mental Health – October 26, 2015
- Board on Aging and Long Term Care – November 11, 2015
- Board for People with Developmental Disabilities (BPDD) – November 19, 2015
- Council for the Deaf and Hard of Hearing – December 11, 2015

On October 22, 2015, DHS Family Care/IRIS 2.0 leadership met with the Tribal Long Term Care Study Group in Wausau. The group stressed the importance of remaining sensitive to tribal concerns and respecting the role of spirituality in the healing process.

Throughout this reform process, the Department has worked to ensure everyone has an accurate understanding of the goals and requirements of the reforms. To mitigate consumer concerns, at each public hearing, the Department outlined what will not change in the transition to Family Care/IRIS 2.0. These items include:

- No changes in eligibility
- The current range of benefits is unchanged
- Members will maintain the right to live independently, with dignity and respect
- Personal choice, self-determination, and person-centered care
- Provider choice in communities where the members live
- The ability to self-direct all current IRIS services
- Focus on natural supports and connections to family friends and community
- Person-centered plans developed in the most cost-effective manner possible
- Appeal and grievance rights
- Ombudsman services for all enrollees
- The right to receive independent and unbiased enrollment counseling.

During public engagement with Wisconsin tribes, the Department reassured the tribes of its intent to:

- Although not required by Act 55, work with tribes and CMS developing a tribally operated long-term care waiver, and
- Ensure tribal long-term care services will be delivered in a culturally competent manner.

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Overview of Public Engagement Testimony

The following summary includes testimony of more than 500 individuals submitted by email, U.S. mail, phone and public hearings. Meetings with committees, boards, councils and tribes were not transcribed as public testimony and, therefore, are not included in the summary tables.

Method of testimony and public hearing participation rates:

Dialogue Method	Live Attendance	Webcast views (as of 12/11/15)	Gave Testimony	Percent of Testimony
Total			556	100%
Email			229	41.2%
Mail			61	11.0%
Phone			3	0.5%
Public Hearing Total	771	3,659	263	47.3%
Green Bay (9/9/15)	64	433	20	3.6%
Hayward (9/21/15)	39	584	22	4.0%
Wausau (9/21/15)	88	578	30	5.4%
Madison (9/23/15)	91	551	31	5.6%
La Crosse (9/28/15)	86	594	29	5.2%
Madison (Advocates – 9/29/15)	33	n/a	27	4.9%
Milwaukee (10/6/15)	158	427	50	9.0%
Madison (10/7/15)	118	492	33	5.9%
Madison (Providers - 10/19/15)	94	n/a	21	3.8%

The most common topics included in public testimony:

Comment Topic	Count*	Percentage of Comments on this topic (% of 556 comments)
Satisfaction with Current Programs	256	46.0%
Feedback on IHAs	220	39.6%
Provider Rates	120	21.6%
Local Presence of Providers	114	20.5%
Transition from Current Programs to Family Care/IRIS 2.0	104	18.7%
Employment Access	95	17.1%
Person-Centered Planning	74	13.3%
Aging and Disability Resource Centers (ADRCs)	73	13.1%
Opportunity for Stakeholder Input	66	11.9%

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Comment Topic	Count*	Percentage of Comments on this topic (% of 556 comments)
Enrollment	52	9.4%
Importance of Housing	34	6.1%
Grievances and Appeals	31	5.6%
Access to Transportation	23	4.1%
Ombudsman Services	21	3.8%
Medicaid/Medicare Integration	17	3.1%
Benefit Package Suggestions	14	2.5%

*Some commenters addressed multiple topics in their testimony; therefore the number of topics captured is greater than the total number of comments received.

Next Steps

The Department will continue developing the Family Care/IRIS 2.0 reform keeping in mind the verbal and written testimony of those who shared their concerns. The Department will continue reaching out to long-term care members and other stakeholders when it holds two additional public hearings in March of 2016. The Department will submit its concept paper on April 1, 2016.