

What is the Managed Long-Term Care Expansion Initiative?

The Wisconsin Department of Health and Family Services, Division of Disability and Elder Services, has embarked on an initiative to expand managed long-term care options for elders and people with disabilities in Wisconsin. Long-term care consists of services and supports that people need to meet their daily needs. These services and supports include: assistance with activities such as eating, bathing, or using the telephone; nurse visits at home; home delivered meals; home modifications; nursing home care; and case management. Many Wisconsinites take advantage of these supports and services, but over 11,000 others are waiting to receive them.

In his February 2006 State of the State Address, Wisconsin Governor Jim Doyle announced his goal to expand the Family Care program statewide over the next five years. Family Care has proven to successfully meet the needs of long-term care consumers in five pilot counties. As a first step toward achieving this goal, DHFS has awarded grants to ten groups to carry out intensive planning activities. These planning groups include county governments and private agencies working in partnership. Counties involved in the ten planning grants are illustrated in Figure 1. More information about these planning groups is posted on the website provided below.

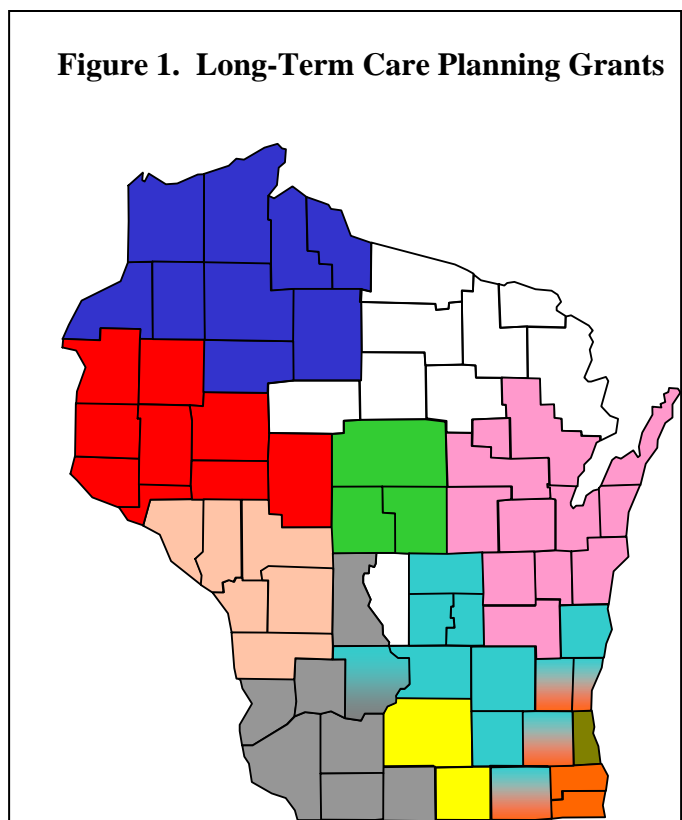
Through this initiative planning groups will develop strategies to improve:

- Access - by assuring people get the services they need, when they need them;
- Choice - by giving people meaningful choices about where they receive their care and how they live their lives;
- Quality - by making sure long-term care services work to support a good quality of life for each consumer; and
- Cost-effectiveness - by building a cost-effective long-term care system that is sustainable into the future.

Why Reform Wisconsin's Long-Term Care System?

Most of the spending (74 percent) in the Medicaid program is related to meeting health care and long-term care needs of frail elders and people with disabilities. In 2004, state government spent \$2.046 billion on a range of long-term care services. These services supported more than 60,000 elders and people with disabilities at home and in assisted living facilities and nursing homes.

Elders and people with disabilities overwhelmingly prefer their long-term care needs to be met at home, whenever possible. Under federal law, people who need long-term care services may enter any available



nursing home, but they are not “entitled” to home and community-based care. As a result, Wisconsin has waiting lists for home and community-based care options and, in comparison to other states, relies heavily on nursing home services.

The cost of the long-term care system is expected to rise in the coming years. The number of people over 85 years old (those most likely to need long-term care) is expected to grow by 45 percent by 2030. This will greatly increase the demand for long-term care services.

Two programs are effectively managing long-term care costs in Wisconsin- Family Care and the Wisconsin Partnership Program. At the core of these programs are care management teams that include a social worker, a registered nurse and the consumer to efficiently and creatively coordinate care. Family Care includes all services available through the Medicaid home and community-based waiver programs - Community Options Program (COP) and Community Integration Program (CIP) - that operate in non-Family Care counties, plus some Medicaid “card” services that are long-term care in nature. The Wisconsin Partnership Program includes all services available through Medicare, Medicaid and the Medicaid home and community-based waiver programs.

An independent evaluation of the Family Care program found that it saved an average of \$452 per member per month in total Medicaid expenditures during 2003 and 2004. Family Care accomplished this by helping people to stay healthy and more independent in their homes and communities. These cost savings occurred because in Family Care there is less reliance on nursing home care and improved health of participants. In addition, the functional ability of people is maintained so their need for assistance is less.

Implementing the Expansion

After the planning groups have completed their work, it is anticipated that many of them will form managed care organizations (MCOs) with whom DHFS will contract to provide Family Care. Some MCOs may also offer the Wisconsin Partnership Program. In most cases, MCOs will serve multi-county regions in order to reduce administrative costs for both DHFS and the local program.

As Family Care expands in Wisconsin, existing Community Options Program (COP) and Community Integration Program (CIP) participants will be transitioned to Family Care. Family Care and Partnership are more cost-effective than the current long-term care system and multi-county partnerships will further improve cost-effectiveness. When the new system is fully implemented, these efficiencies will allow the State to avoid passing on cost increases to counties and eliminate waiting lists for community-based care.

DHFS Secretary Helene Nelson established a statewide Council on Long Term Care Reform (see the Council’s website at <http://www.wcltc.state.wi.us/>). DHFS is working closely with the Council as further plans are made for statewide expansion.

For More Information

For more information visit our website at <http://dhfs.wisconsin.gov/managedltc> or contact Kathleen Luedtke at: luedtka@dhfs.state.wi.us or (608) 267-4896.