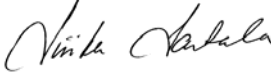


STATE OF WISCONSIN
 Department of Health and Family Services
 Division of Long Term Care

DDES Info Memo Series 2007-11
Date: November 5, 2007
Index Title: LTC Fiscal Update Memo - #1

To: Listserv

For: County Departments of Human Services Departments
 County Departments of Social Services Directors
 County 51 Directors
 County Fiscal Contacts
 County COP and Waiver Coordinators
 Human Service Area Coordinators
 Area Administrators
 Community Integration Specialists

From: Sinikka Santala 
 Administrator

Subject: LTC Fiscal Update Memo - #1

This memo serves as an informational memo to update counties on changes to the CY 2008 contracts for COP and COP-W, CIP II, CIP 1a, CIP 1b and BIW, referred to hereafter as the waivers. The Department plans to implement changes to the CY 2008 contracts in order to administratively simplify areas of COP and the waivers, especially for counties that are transitioning to managed long-term care. CY 2008 contracts for COP and the waivers will continue to be adjusted periodically throughout the year for all counties. For the counties transitioning to managed long-term care, COP and waiver contracts will be adjusted to reflect individuals who are no longer being served those programs; and are instead being served through the Family Care program. These adjustments will be made based on actual individuals leaving COP and the waivers and moving into Family Care. Initial CY 2008 contracts are in process, please note the following changes.

- o **New Language in the COP and Waiver Contracts**
 The COP, COP-W, CIP II, CIP 1a, CIP 1b and BIW addenda to the State/County contract for all counties will have language added to address the transition to managed long-term care. The following language will be added:

As the INSERT PROGRAM NAME, transitions into managed long-term care, a county's INSERT PROGRAM NAME allocation will be reduced to reflect individuals who are no longer being served under the INSERT PROGRAM NAME; and are instead being served through the Family Care Program.

This language clarifies that the Department will only reduce the COP and waiver allocations after a person discontinues services on these programs. It is the Department's intent to leave funding in the COP and waiver allocations for individuals until they leave the program. The Department is currently working to develop a process to determine how much will be reduced for each person when they leave COP and the waivers. It is possible that an average amount per person will be reduced once they leave COP and the waivers rather than tracking each person's actual costs and reducing the contract by that amount. This decision will be shared with transitioning counties once it is finalized.

- **Funding for CIP 1a, CIP 1b and BIW will be Treated as Allocations**

The Division of Long Term Care has been exploring ways to simplify waiver program management for some time. Both COP-W and CIP II are currently managed as allocations. We plan to now implement the following simplification measure for the other adult waiver programs.

Effective January 1, 2008, counties may use their funding for CIP 1a, CIP 1b and BIW as allocations and not be limited to serving the same number of persons as slots allocated for each of these programs. Counties will receive an allocation for each of the three programs based on the current number of slots they have, the rate for these slots and total number of days in the contract year (which are 366 days in CY 2008). Each program's allocation must be managed within that waiver program. For example, funding from the BIW allocation cannot be used to fund CIP 1b services.

A county's allocation for any of the three programs can increase or decrease throughout CY 2008. For example, if a county has a new relocation under CIP 1a or ICF-MR Restructuring, then the allocation for the corresponding waiver would increase. As another example, if a county has someone vacate its BIW program, its allocation would decrease.

Increases and decreases to contracts will continue as they have in the past. However, by removing the slot restrictions, counties will gain more flexibility within each of these programs. Counties will not have to request slot switches to fill vacant slots within programs, will not be held to the current slot value and will not have to return funding from unused days. Instead, if counties have allowable expenses reported in HSRS for the program, they will be paid up to the amount of their allocations.

The goal of this simplification measure is to allow each county the flexibility to manage the allocations for each of these three programs while continuing to provide high quality services to participants. The Department remains committed to fully funding allowable waiver costs for both ICF-MR Restructuring Initiative relocations and eligible Family Care moves.

- **Funding for Participants Under Age 18**

The Department's intent is to maintain COP and waiver funding identified for children and persons with mental illness during and after the transition to managed long-term care. In order to do this, CIP 1a and CIP 1b funding identified for people under age 18 will move from CIP 1 contracts to the Children's Long-Term Support (CLTS) contracts. The Department will transfer the slot value for each of these individuals based on a specific point in time, for example December 31st of the year prior to transition. Changes will be implemented only in transitioning counties. It may be extended to all counties at a later date.

- **CRI Funding Moved to CIP II allocation**

The CRI funding that has been determined eligible to move to a county's base CIP II allocation will not be included in the CY 08 initial contracts. This funding will be added through a separate contract adjustment after January 1, 2008.

We hope you find these changes helpful. If you have questions or concerns, please contact the following individuals:

- Anne Olson, Supervisor, Fiscal Unit – (608) 264-9870 or olsonac@dhfs.state.wi.us
- Sue Liegel for COP and COP-W – (608) 266-9755 or liegesk@dhfs.state.wi.us
- Lisa Kelly for CIP II – (608) 267-3659 or kellylm@dhfs.state.wi.us
- Erin Warner for CIP 1 or BIW – (608) 261-0646 or warneem@dhfs.state.wi.us

MEMO WEB SITE: http://dhfs.wisconsin.gov/dsl_info/

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