



**State of Wisconsin
Department of Health Services**

**Jim Doyle, Governor
Karen E. Timberlake, Secretary**

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**Department Requests Proposals for Medicaid Managed Care Contracts
in Southeast Wisconsin**
Effort Will Save Money and Improve Quality

The Department of Health Services released a request for proposals for its Medicaid managed care contracts in Southeast Wisconsin. This request for proposals (RFP) seeks an innovative approach to providing high quality health care to approximately 240,000 members in Milwaukee, Racine, Kenosha, Washington, Ozaukee, and Waukesha Counties who receive care through the State's BadgerCare Plus Standard and Benchmark programs. The proposals are due January 13th, 2010 at 2:00 p.m.

"This RFP is a bright opportunity to both improve health care quality and save taxpayer money," said Secretary Karen Timberlake. "We are looking for managed care organizations that will provide high-quality, cost-effective care to our members. The RFP will allow us to find savings in the administration of the Medicaid program and address deficiencies in quality performance in Southeast Wisconsin."

Significant portions of the new managed care contracts will be performance-based, requiring the managed care organizations to annually reach performance benchmarks in a variety of areas, including diabetes testing, blood lead testing, childhood immunization, asthma management, tobacco cessation, emergency department utilization management, and dental utilization. In addition, the organizations will be required to implement a medical home pilot for pregnant women known to be at high risk for poor birth outcomes.

Through this RFP, the Department plans to:

- Make substantial improvements in health care outcomes for BadgerCare Plus members;
- Improve care coordination, especially for high cost individuals with chronic illness;
- Reduce the number of inappropriate service encounters such as using hospital emergency room visits for routine health care delivery;
- Lower overall health care costs borne by the state; and,
- Simplify and strengthen the healthcare marketplace in southeastern Wisconsin.

The proposals will be evaluated for their potential to provide and manage health care services as well as their demonstrated ability to manage a Medicaid population in similar urban settings; meet quality benchmarks; and, ensure members receive high-quality care appropriate for their needs. Proposals will also be evaluated based on their proposed administrative costs for providing and managing the health care services of BadgerCare Plus members.

For the first time in Wisconsin, the new Medicaid managed care contracts will include financial penalties for managed care organizations that do not meet the Department's quality performance benchmarks. Organizations that do not perform well could lose up to 3.25% of their capitation rate. No state Medicaid program has ever put this much funding at-risk based on performance.

Visit <http://dhs.wisconsin.gov/rfp/index.htm> for more information about the RFP or to submit a proposal.

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