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To: County Departments of Human Services Departments
County Departments of Social Services Directors
County 51 Directors
County Fiscal Contacts
Area Administrators
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Long Term Care Fiscal Update Memo #4

The purpose of this memo is to organize and update previously published Division of Long Term Care (DLTC) Bureau of Long Term Care Financing (BLTCF) memos to counties addressing preparedness for the transition to long term care reform and implementation.

This memo is #4 in a series of 4 memos and addresses the following:

- The planning instructions for counties transitioning to long-term care reform;
- The enrollment of new individuals in Home and Community Based Waivers (HCBWs) immediately prior to and during a county's transition the new long-term care implementation; and
- Development of community placements for individuals relocating from institutions (nursing homes, ICRs-MR and State Centers) immediately prior to, and during, a county's transition to the new long-term care.

Enrollment Planning

In order to formulate an accurate budget for the new long-term care implementation, the Department of Health Services (DHS) is required to project the pace and nature of implementation. A key assumption of this projection is that the careful regulation of the speed of the enrollment of current waiver program participants and of individuals on wait lists into the new long-term care program is essential in order to stay within appropriated expenditure levels. Another assumption is that savings generated by bringing the care of former waiver participants under management using the principles of long-term care reform will generate part of the savings needed to serve those on wait lists. Using these projections, DHS determined that any county's waiver participants could be enrolled over a six-month period, allowing Managed Care Organizations (MCOs) and Include, Respect, I Self-Direct (IRIS) time to ramp up to full capacity. DHS projected that those on waiting lists could be enrolled over a 36-month period, which also coincides with the period of time before entitlement is required in any county where long-term care reform is implemented. Finally, DHS projected that curtailing all new waiver approvals beginning 90 days prior to long-term care reform implementation in any county, except in very select circumstances, was required in order to finalize case counts and regulate the flow of enrollment to the new long-term care programs.

Funding for implementation was made using these assumptions, with the expectation that these assumptions would become the guidelines within which implementation would occur. In implementing these guidelines, DHS has allowed a degree of flexibility to these assumptions that does not jeopardize the ability to stay within the funding levels.

- Some long-term care districts have been granted permission to plan for enrollment of all current waiver participants who choose Family Care (FC)/IRIS in a single month. This rapid transition from county operations to the new long-term care programs may challenge the district to align care within the new programs quickly, but is not contrary to appropriation guidelines.
- DHS has authorized Aging and Disability Resource Centers (ADRCs), MCOs and IRIS, to work together to replace individuals who are disenrolled from an MCO/IRIS with individuals from the waiting list, over and above the number of individuals enrolled from the wait list under any county's DHS-approved transition plan (1/36th allocation). As a result, enrollment of everyone waiting for services may take less than 36 months in some counties. Replacement of enrollees with those from the waiting list allows the ADRC to use its judgment to prioritize enrollees whose needs are most urgent, regardless of when a person with urgent needs comes to their attention prior to when the new long-term care programs reach entitlement in that county (36 months).
- DHS encourages continued relocations from nursing homes to the community by not including relocated individuals among the DHS-approved monthly transition amount from the county's wait list (1/36th of wait list).

In the past, some counties have submitted new waiver care plans to add large numbers of new participants in their current waiver programs shortly before the 90-day cutoff date before transition to the new programs begins. DHS has developed a budget plan for the new long-term care implementation that relied on the key assumptions listed above being applied consistently during implementation. When counties deviate from the implementation plan upon which the long-term care reform budget was developed, however well-meaning, it puts ADRCs, MCO/IRIS capacity in jeopardy as well as exceeding the budget available to the Department.

In order to carefully regulate the pace of the new long-term care implementation in individual counties, the Department's will carefully review the service components proposed by care managers in new waiver approval requests. If DHS finds that a county has enrolled an unusually high number of individuals (inconsistent with the counties historical new waiver enrollment) in the months preceding its planned transition to the new long-term care reform, DHS will adjust the number of persons that it will allow an MCO or IRIS to enroll from the wait list until these "early enrollees" have been transitioned. The effect of the county's action to serve these people earlier in the waiver will be that DHS will consider them to have been made the highest priority for enrollment by their county from the wait list, and those remaining on the waiting list will be required to wait longer for resources.

If a county has a specific concern that an individual who is waiting for FC/IRIS enrollment in the new programs, may be in crisis in the near future, the long-term support unit should work with the ADRC to give priority to that individual's enrollment. In some cases, this might result in an earlier enrollment for this person. As a priority candidate for enrollment among those on the wait list, the person might be offered enrollment in months 1, 2, or 3 after implementation of these new long-term care programs in his or her county, but as a newer waiver participant, the individual might be among those offered enrollment in months 4, 5, or 6. We have encouraged county, ADRC, MCOs and IRIS collaboration in enrollment planning to address individual circumstances.

Another point to consider, if all of the earlier enrollments to the waiver programs are from a single target group, this action disadvantages those in other target groups who are also waiting. Since DHS must stay within its budget appropriation, additional enrollments from the waiting list will be suspended for the number of months it will take for the earlier waiver enrollees to transition to the new long-term care programs and no enrollees from other target groups will gain access to managed care during that time. Waiver agencies are instructed to schedule transition of waiver participants consistent with the final transition spreadsheet schedule.

Enrolling New Individuals in HCBWs Immediately Prior to and During Long-Term Care Reform

The County may enroll a new individual into **existing** waiver slots as **replacements** up to the day the county begins its transition to the new long-term care programs (transition begins the day current waiver participants begin enrolling in the new long-term care programs), however the Department will stop approving additional new waiver participant plans 90 days prior to the new long-term care start date, to better manage transition. The Department will consider exceptions to the 90-day freeze for emergency situations. In addition, there is an exception for slots created for approved relocations under CRI, ICF-MR restructuring and/or CIP IA (state

center relocations. An individual relocating from an institution may get a new waiver slot up to the day a county begins its transition to the new long-term care.

Development of Community Placements for Individuals Relocating from Institutions Immediately Prior to and During Implementation of Long-term Care Reform

The Department encourages counties planning a transition to the new long-term care programs to continue to assess, conduct person-centered plans and develop community placements for individuals residing in institutions (nursing homes, ICFs-MR and State Centers). Counties may place these individuals in community settings and enroll them into the waivers up to the day the county begins its transition to the new programs.

Counties anticipating a long-term care transition **must coordinate and communicate** with the MCOs/IRIS when developing a community placement for an individual relocating from an institution. As similarly noted above for other HCBW care plans developed during the period a county is planning its long-term care transition, coordination with the MCO/IRIS will increase continuity of care and limit disruptions of the community living developed for the relocated individual.

Although no new individuals may enroll in HCBWs after a county begins its transition to the new long-term care, individuals relocating from nursing homes, ICFs-MR or State Centers during transition may enroll immediately in the new long term care and do not count against a county's wait list enrollment limit. These individuals do not need to first be enrolled in a waiver placement to be prioritized for long-term care enrollment.

If you have questions regarding these policies or the fiscal impact of funding moves in light of your county's transition to long-term care managed care, please contact a member of the Bureau of Long Term Care Financing at dhsdltcbfm@dhs.wi.gov