



Thursday, November 17, 2005

Contacts: Stephanie Marquis, Department of Health and Family Services, 608-266-1683
Anne Lupardus, Office of the Governor, 608-261-2162

Governor Doyle Announces Family Care Savings

Study Says State Saves Money While Providing Vital Long-Term Care Services

Governor Doyle today announced that a study of the state's long-term care reform initiative, Family Care, has produced substantial savings for Wisconsin's Medicaid program. The initiative saves the Medicaid program \$452 per month for each individual receiving services when compared to other programs.

"Family Care is improving the quality of life for people across Wisconsin by giving them access to the long-term care services they need in the place they prefer," Governor Doyle said. "This is a real win-win situation – it's a program that is holding down taxpayer costs by maintaining and improving the health and well-being of people who need it."

Family Care provides long-term care services to approximately 9,400 seniors and adults with physical or developmental disabilities in Fond du Lac, La Crosse, Milwaukee, Portage, and Richland Counties. Family Care began as a pilot program in those counties in 2000.

The study compares long-term care costs in 2003 and 2004 for people in Family Care and those receiving the same services in other programs. Average monthly spending for Medicaid-funded services for Family Care members in Fond du Lac, La Crosse, Portage and Richland Counties was \$452 lower per person. Spending was \$55 lower per person for Milwaukee County.

Family Care providers reduced costs by increasing preventive medical care. Through prevention, providers were able to also reduce more expensive medical care, such as inpatient hospital stays. Nursing home and in-home care are covered by the program.

Family Care reimburses local care management organizations with a flat monthly payment from the state's Medicaid program to provide a complete package of long-term care services for each person enrolled. In traditional long-term care programs, counties are reimbursed dollar-for-dollar for the cost of services.

"The results of this study are really encouraging," Governor Doyle said. "To that end, I have directed DHFS to assess opportunities for future expansion of the program and to explore ways to further expand access to high-quality and efficient long-term care programs like Family Care."

DHFS contracted with APS Healthcare, Inc. to perform the study, which is a federal requirement for operating the program.