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**State of Wisconsin
Governor Jim Doyle**

**TO: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers
Training Staff
Child Care Coordinators**

**FROM: Amy Mendel-Clemens, Chief
Technical Assistance and Training Section
Bureau of Enrollment Management
Division of Health Care Access and Accountability**

| BEM/DFS OPERATIONS MEMO | | |
|-------------------------------------|---|---|
| No: | 09-43 | |
| DATE: | 6/11/2009 | |
| FS <input type="checkbox"/> | MA <input checked="" type="checkbox"/> | BC+ <input type="checkbox"/> |
| SC <input type="checkbox"/> | CTS <input type="checkbox"/> | FSET <input type="checkbox"/> |
| | BC+ CORE | <input type="checkbox"/> |
| CC <input type="checkbox"/> | W-2 <input type="checkbox"/> | EA <input type="checkbox"/> |
| CF <input type="checkbox"/> | JAL <input type="checkbox"/> | JC <input type="checkbox"/> |
| RAP <input type="checkbox"/> | WIA <input type="checkbox"/> | Other <input type="checkbox"/> * |
| EP | | |

SUBJECT: Private Pay Nursing Home Rate

CROSS REFERENCE: MEH 17.5; Operations Memo 09-01

EFFECTIVE DATE: JULY 1, 2009

PURPOSE:

This memo provides the updated average nursing home private pay rate used to determine a divestment penalty period.

BACKGROUND:

The average nursing home private pay rate is used to determine the length of the Medicaid divestment penalty period

In the past, the average nursing home private pay rate was derived from data presented in the annual report, "Wisconsin Nursing Homes and Facilities for the Developmentally Disabled." The Department of Health Services (DHS) no longer conducts the annual nursing home survey which served as the basis for this report.

This year, the average nursing home private rate is based on nursing home rate information from the 2009 Genworth Cost of Care Survey, conducted during January, February and March 2009. Researchers polled at least 20% of all certified and licensed nursing homes across 331 regions nationwide. The average percentage of completed surveys within a region was 44%. Wisconsin nursing homes in the following regions (each comprised of multiple counties) were polled: Appleton, Green Bay, Sheboygan, Eau Claire, Madison, Milwaukee, Janesville, La Crosse, Wausau and Balance of State.

CALCULATION:

| <u>Region</u> | <u>Median Daily</u> | <u>Institutional MA*</u> | <u>Weight</u> | <u>Weighted Daily</u> | <u>Weighted Monthly</u> |
|---------------|---------------------|--------------------------|---------------|-----------------------|-------------------------|
| Appleton | \$199 | 2,577 | \$512,823 | | |
| Green Bay | \$189 | 1,147 | \$216,783 | | |
| Sheboygan | \$218 | 820 | \$178,760 | | |
| Eau Claire | \$178 | 690 | \$122,820 | | |
| Madison | \$212 | 1,466 | \$310,792 | | |
| Milwaukee | \$238 | 6,474 | \$1,540,812 | | |
| Janesville | \$212 | 960 | \$203,520 | | |
| La Crosse | \$197 | 515 | \$101,455 | | |
| Wausau | \$217 | 1,538 | \$333,746 | | |
| BOS | \$183 | 5,204 | \$952,332 | | |
| | | 21,391 | \$4,473,843 | \$209.15 | \$6,362 |

*The number of individuals eligible for institutional Medicaid at the end of April 2009 (in the counties that comprise the region) is used for weighting purposes.

NEW AMOUNT:

The new monthly average nursing home private pay rate is \$6,362. Beginning July 1, 2009, use this amount when determining new divestment penalty periods, for divestments that occurred prior to January 1, 2009. For divestments that occurred on or after January 1, 2009, this amount has to be converted to an average daily rate. The average daily rate is computed by multiplying the average monthly rate by 12 and dividing by 365 ($\$6,362 \times 12 = 76,344$ divided by $365 = \$209.16$). A revision to the Medicaid Eligibility Handbook will be made in a future release.

CARES:

A change to CARES reference table TASP will be made to use the new amount for divestment penalty calculations beginning July 1, 2009.

CONTACTS:

BEM CARES Information & Problem Resolution Center

*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHS/DHCAA/BEM/