# 2021 Wisconsin Long Term Care Advisory Council

## Considerations for the Department of Health Services (DHS) Re: Medicaid Long Term Care Charge #2

### Introduction

The Long Term Care Advisory Council (LTCAC) is charged with advising DHS on the following:

- Provide advice and guidance on the number of Geographic Service Regions (GSRs).
- Provide advice and guidance on the number of Managed Care Organizations (MCOs), IRIS Consultant Agencies (ICAs), and Fiscal Employer Agents (FEAs) in each GSR.
- Provide advice on LTC procurement strategies for MCOs and ICAs [and FEAs].

### Options

The Bureau of Programs and Policy presented the Council with a number of options for GSR reconfiguration, the number of agencies per GSR and procurement strategies.

### GSR Reconfiguration

**Option 1: Family Care MCO-Based and IRIS ICA-Based Regions**
This option is based on collapsing current geographic service regions with the same MCO or ICA contractors. For example, Inclusa, and Lakeland Care currently provide services in GSRs 4 and 13. These GSRs could be combined into one new region.

This is the only proposed option that shows different configurations between the Family Care and IRIS programs. All other proposed options include the same regions for both Family Care and IRIS.

**Option 2: DPH-Based Regions**
This option is based on how the Division of Public Health (DPH) aligns their service regions. The Division of Quality Assurance (DQA) and Area Administration (AA) have similar regions. There were two possibilities included for this option; Milwaukee as its own GSR or combined with another GSR.

**Option 3: BadgerCare Plus-Based Regions**
This option is based on alignment with the BadgerCare Plus-Based Regions. This would align Family Care and IRIS with other DHS Medicaid programs.

**Option 4: Contiguous-Based Regions**
This option is based on more evenly distributing current Family Care and IRIS enrollment statewide. There were two possibilities included for this option; Milwaukee as its own GSR or combined with another GSR.

**Recommendations**

The Council generated a number of suggestions for DHS to consider:

- DHS should consider an option that is least disruptive to members, participants, and business operations.
- DHS should consider an option that provides choice of MCOs and ICAs in each GSR.
- DHS should consider smaller changes or other options to reduce procurement administrative burden rather than make significant changes to GSRs.

Based on these recommendations, DHS created:

- New GSR Option 5: Consolidated Regions based on collapsing current GSRs.
  - Combining current GSRs 1 and 7
  - Combining current GSRs 2 and 3
  - Combining current GSRs 4 and 13
  - Combining current GSRs 5, 12 and 14
  - Combining current GSRs 6 and 11
  - Combining current GSRs 9 and 10

## Number of Agencies per GSR and Procurement Strategies

**Option 1 – Specify defined number of agencies statewide per region:** For example, each region has 2 MCOs, 2 ICAs and 1 Family Care Partnership MCO.

**Option 2 – Specify defined number of agencies per region based on fiscal/enrollment sufficiency:** For example, regions with less than 5,000 enrollees have 2 MCOs/ICAs; regions with 5,000-10,000 enrollees have 3 MCOs/ICAs; regions with 10,000+ enrollees have 4 MCOs/ICAs.

**Option 3 – Statewide:** Retain procurement and certification processes but awarded agencies must serve the entire state.

**Option 4 – Statewide with GSR assignment:** A single statewide procurement with assignment into specific regions based on a secondary evaluation criteria.

**Option 5 – Open procurement:** No minimum or maximum number of MCOs or ICAs per region. Allow all agencies into the marketplace that pass the minimum procurement evaluation criteria.

**Option 6 – Open certification:** No procurement and no minimum or maximum number of MCOs or ICAs per region. Allow all agencies into marketplace that pass the certification process.

**Recommendations**

The Council generated a number of suggestions for DHS to consider:

- Assuring choice is important; DHS should set a minimum number of agencies in each region to assure choice.

- DHS should consider an option that allows local and smaller agencies to participate.

Based on these recommendations, DHS created:

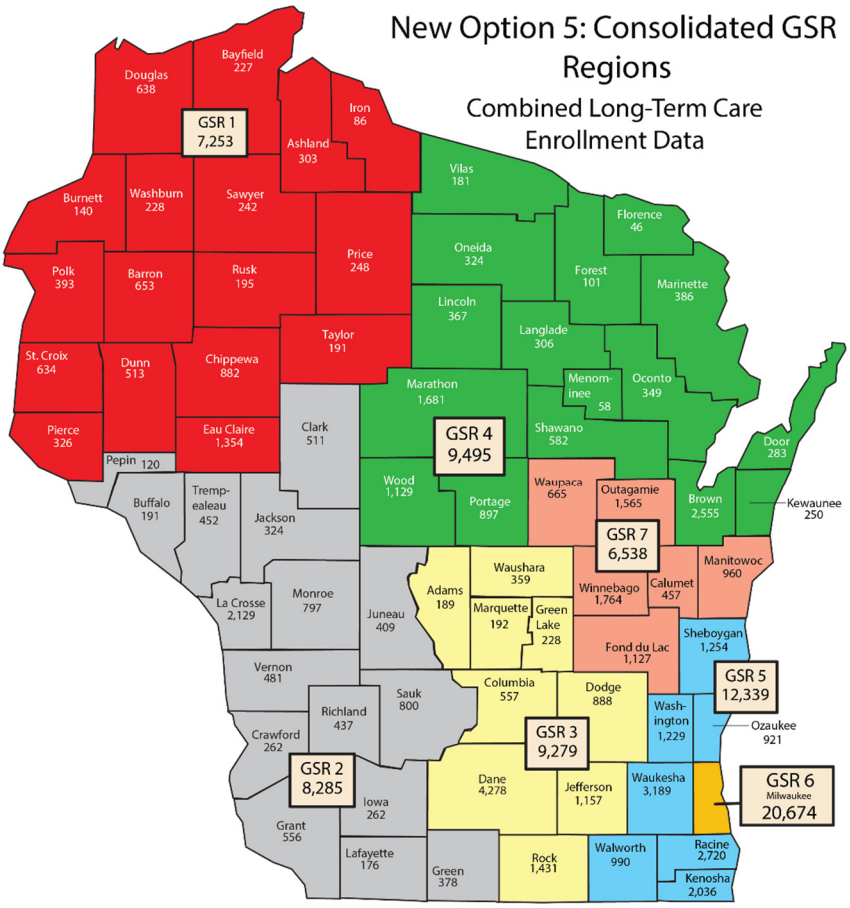
- New procurement Option 7: Defined number of agencies (3) statewide per region for the MCOs; and open certification for the ICAs.

## Final Council Recommendation

The consensus of the Council was that DHS should move forward with the two new options presented by DHS:

New GSR Reconfiguration Option 5: Consolidated Regions based on collapsing current GSRs.

- Combining current GSRs 1 and 7
- Combining current GSRs 2 and 3
- Combining current GSRs 4 and 13
- Combining current GSRs 5, 12 and 14
- Combining current GSRs 6 and 11
- Combining current GSRs 9 and 10




New procurement and certification Option 7: Defined number of agencies, procurement for Family Care and open certification for IRIS.

- Competitive procurement for Family Care with (3) MCOs per region
- Open certification for the ICAs with unlimited number per region.

Appendix A includes a more detailed summary of comments provided by the LTCAC. In addition to providing options for the reconfiguration of geographic service regions (GSRs) and procurement related to Charge #2: Medicaid Long Term Care, the Bureau of Programs and Policy also presented the information to the IRIS Advisory Committee, IRIS leadership and MCO leadership. Summaries of comments from these stakeholders are outlined in Appendix B and C.

# Appendix A: LTCAC Feedback

## Provide Guidance on the Number of GSRs

**General Feedback on GSR Reconfiguration**

- Supportive of collapsing GSRs - feel it would be best to have less procurement and have more time to look at what is working and what is not with the current program and think about what the programs should look like for the next 20 years.
- Provider Network:
  - Whatever option is chosen, assure there is choice of providers. Not as concerned about GSR borders – more concerned about some of the broader issues/values with the program – choice, provider network, quality oversight, etc.
  - With any of these changes there is worry about the unintended consequences to existing providers, provider network, or members and participants.
  - One potential issue with larger geographic areas is keeping providers local – this is very important for people.
  - Larger and fewer regions would require strong oversight by DHS as there would be less ability to leverage competition and there are already only five managed care organizations.
  - If MCOs and ICAs cannot succeed in a region, this makes it very difficult on the ADRCs.
  - Larger regions have appeal, but with large geographic spread, having an adequate provider network is a concern. Agencies would need lots of pre-work upon award to get a provider network established.
  - Understanding the complexity of the programs and choices between agencies is difficult for people – we need to balance choice vs. people being overwhelmed by information.

**Option 1: Family Care MCO-Based and IRIS ICA-Based Regions**

- Having different regions for the two programs would be extremely difficult for the ADRCs.
- If enrollment numbers are too low, this could affect the provider network and providers may only want to contract with larger MCOs. Prefer an option with larger enrollment numbers.
- True competition may not happen with this proposal if we retain the smaller regions and proposed Region 1 does not have a larger enrollment population.
- Except for creating some larger spaces, this is not much improvement over current GSRs.

**Option 2: DPH-Based Regions**

- It does make some sense to align with other DHS service areas.
- This model would greatly expand some service areas and make others smaller. ICAs may not choose to expand, while others may find it easier to expand and welcome the opportunity. If there are ICAs that do not want to expand to an entire new region, DHS should allow them to choose not to expand or only expand to parts of the new region.
- A positive of this option is being aligned with Public Health (and other regions) – this is helpful for collaborating between counties.

- Not sure how advantageous it is to line up with other maps since all the regions do not match. It's more important that people have choice. Choice would provide increased sustainability and better provider networks.
- This option provides choice in the current GSR 7 which, due to the current smaller enrollment population, only has choice of one MCO. Splitting up GSR 7 may entice more than one MCO to propose to serve the area.

**Option 3: BadgerCare Plus-Based Regions**

- Region 1 remains a large area with a low enrollment population. It may be difficult to find additional MCOs to serve the area.

**Option 4: Contiguous-Based Regions**

- This option more closely equalizes the GSRs.
- This option provides choice for current GSR 7.

**Feedback on recommended Option 5: Consolidated Regions based on collapsing current GSRs**

- The council applauds DHS for taking the feedback provided and creating a new option. This new option is a thoughtful way to simplify procurement and will have the least disruption to members and participants.
- This option allows DHS to make first step changes and then more significant changes could be considered in the future.
- This option may provide incentive for larger, national companies to enter into Wisconsin's managed long-term care system.
- This option may increase the number of MCOs and choice for members.

## Provide Advice and Guidance on the Number of MCOs, ICAs, and FEAs in each GSR and Provide Advice on Procurement Strategies for MCOs and ICAs

**Option 1: Defined Number of Agencies Statewide**

- No specific comments for this option.

**Option 2: Defined Number of Agencies per Region Based on Enrollment Population**

- Prefer this option as assuring choice is important (as is procurement). With certification, there are too many choices.
- Smaller GSRs would have less choice of agencies than larger ones. It may be difficult for consumers to understand they have less choice just because of where they live.
- This option appears to be the most reasonable, but DHS will also need to set a minimum number of agencies in the region to assure choice.
- At face value, this option seems the most reasonable.

**Option 3: MCOs and ICAs Serve the Entire State**

- This option is similar to DHS's previous proposed FC 2.0 redesign and it feels that more national entities would be the ones to apply and our homegrown, regional model would go away.

**Option 4: Statewide Procurement to Select Agencies with Secondary Evaluation to Assign Agencies to Specific Regions**

- DHS could consider using procurement to select eligible and adequate agencies and then those agencies could indicate which areas they are interested in serving.
- This option gives some flexibility and control and allows for at least minimum choice, but keeps procurement.

**Option 5: Open Procurement**

**No minimum or maximum number of MCOs or ICAs per region. Allow all agencies into the marketplace that pass the minimum procurement evaluation criteria** Options 5 (open procurement) and 6 (open certification) could be chaotic and more challenging than the system we have now.

- Feel open procurement could lead to too much choice. Also, potential enrollment population may not equate to fiscal sustainability. Some agencies may not be able to stay in business with lower enrollees in an area.

**Option 6: Open Certification**

**No procurement and no minimum or maximum number of MCOs or ICAs per region. Allow all agencies into marketplace that pass the certification process:**

- Options 5 (open procurement) and 6 (open certification) could be chaotic and more challenging to the system we have now.
- Hesitant of the full certification choice (Option 6). This may work with ICAs and FEAs, but would not recommend it for MCOs. MCOs are required to be more involved in the member's life and it is important that they need to prove themselves every 5 years.
- If we moved to certification for MCOs, DHS should require strong certification standards.
- With open certification, you could have lots of contractors. This would make it difficult for the DHS to provide adequate oversight.
- There is the potential for too many choices for consumers.

**Feedback on recommended Option 7: Defined number of agencies, procurement for Family Care and open certification for IRIS**

- Given that one GSR currently has only one MCO and several others only have two, recommend the defined number be a set minimum and maximum instead of a set number; for example, a minimum of 2 MCOs (to ensure choice) and a maximum of 3 MCOs (to provide sufficient membership enrollment numbers needed for sustainability).
- Support the suggested number of 3 MCOs in each GSR. By providing that amount of choice, members will be able to change MCOs based on characteristics important to them. ICAs support participants in developing their own plans and finding their own providers. An open certification process seems fitting for this level of involvement in participants' lives.

# Appendix B: IRIS Stakeholders (IRIS Advisory Committee and ICA and FEA Leadership) Feedback

## Provide Guidance on the Number of GSRs

- DHS should consider a grandfathering clause to allow some IRIS Consultant Agencies (ICAs) to stay within their current GSR assignment or pick and choose the counties they want to serve in large GSRs.
- Feels Option 1 (Family Care MCO-Based and IRIS ICA-Based Regions) is least disruptive on ICAs and participants, though would suggest proposed GSR 3 be split into two separate GSRs.
- Option 4 (Contiguous-Based Regions) allows for choice and it is a positive that less populated areas could potentially be covered by enrollment in the more densely populated areas.
- Prefer the option that disrupts participants the least, but do agree that everyone in the state should have a choice between MCOs and ICAs is important.

**Feedback on recommended Option 5: Consolidated Regions based on collapsing current GSRs**

- DHS should consider allowing ICAs to not serve all the counties in the reconfigured GSRs.
- DHS should consider a hybrid option for the new GSR 3 (current GSRs 5, 12 and 14) in which current ICAs do not have to expand to the entire new region.
- There is no perfect way to do this, but appreciate that DHS listened to the recommendations of the groups and created a new, better option.

## Provide Advice and Guidance on the Number of MCOs, ICAs, and FEAs in each GSR and Provide Advice on Procurement Strategies for MCOs and ICAs

- Concerned two ICAs per region would not be enough choice for participants, but understand that too many ICAs in a GSR could be an issue.
- If only a few ICAs were to provide services statewide, concerned these agencies would be very similar in the services they provide. It would eliminate diversity of smaller agency choice for participants. DHS should consider that the number of agencies (MCOs and ICAs) per region does not need to match. For example, DHS could set a number for MCOs, but allow as many ICAs per region that pass certification standards.
- Concerned with option to expand ICAs statewide, this could squeeze out all other smaller ICAs. Smaller ICAs can be more responsive, easier to contact, have better customer service, and more knowledge of local resources than the larger ICAs.
- For any of these GSR/procurement options, it is very important for DHS to assess the impact each would have on the people supported by IRIS or Family Care, including any potential disruption to their choice of ICA or MCO. For this reason, we thought it might be possible for DHS to set stricter requirements for certification and a more rigorous re-certification process to ensure agencies are able to maintain quality, stay compliant with

requirements, and provide excellent customer service to continue in their role as an ICA. This would improve the experience for individuals in IRIS.

**Feedback on recommended Option 7: Defined number of agencies, procurement for Family Care and open certification for IRIS**

- Appreciate retaining the open certification option for ICAs. This will allow for continued choice for IRIS participants.

# Appendix C: Family Care Stakeholder (Managed Care Organizations) Feedback

## Provide Guidance on the Number of GSRs

- This appears to be an opportunity to think bigger and look at the end goals of overall program enhancement – maybe consider enhancing member choice or provider networks. Any change should propel the program forward and should enhance the member experience.
- It is difficult for MCOs to start or re-establish provider networks. While supportive of solving procurement issues, there are better ways to achieve this rather than reconfiguring the GSRs to ensure providers and members are not impacted.
- Consolidating the GSRs has benefits on the procurement administration side, particularly for MCOs that need to go through procurement over and over to maintain their current service areas.
- DHS needs to find a balance to achieve administrative efficiencies, but not at the expense of members. DHS should consider slower changes to achieve the same outcome.

**Feedback on recommended Option 5: Consolidated Regions based on collapsing current GSRs**

- This option seems to make the most sense with minimal disruption to members and MCOs.
- This option is an improvement over previous options.

Provide Advice and Guidance on the Number of MCOs, ICAs, and FEAs in each GSR and Provide Advice on Procurement Strategies for MCOs and ICAs

- No specific comments were provided on the procurement options.

**Feedback on recommended Option 7: Defined number of agencies, procurement for Family Care and open certification for IRIS**

- No specific comments for this option.