



Wisconsin Assisted Living Association

eBlast News

December 21, 2011

WALA has Moved!

**As of October 1, 2011
our new address is**

**1414 MacArthur Rd
Suite 311
PO Box 7730
Madison WI
53707-7730**

Hope you are enjoying your holiday season! WALA is looking forward to the New Year, and the new Educational Sessions, Products and Member Services that will come your way. Stay tuned to the WALA Website at www.ewala.org for current information.

Are you following us on Facebook? If not, come join and hear updates about Education, Legislative activity, Regulatory issues and many more topics.



Don't forget about our newest membership benefit - ability to write on the WALA Wall!

It's an online discussion forum that lets you talk about hot button topics, like Family Care, with other members. Contact the WALA office for more information.

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Wisconsin Medicaid: Independent Evaluation of Wisconsin's Medicaid Program Released

The Wisconsin Joint Legislative Audit Committee released an evaluation of the Department of Health Services (DHS) Medical Assistance (Medicaid) program. The evaluation provides an overview of Wisconsin's Medical Assistance Program, identifies areas of concern and provides recommended changes to the program.

Some of the numbers that will likely gain some attention include the fact that total Medicaid expenditures increased from \$5.0 billion in FY 2006-07 to \$7.5 billion in FY 2010-11, primarily because the number of recipients increased from 870,201 in January 2007 to 1.2 million in

January 2011. Also, the report states that DHS relies on vendors to provide administrative support to the Medicaid program, and vendor payments increased from \$66.2 million in FY 2006-07 to \$114.8 million in FY 2010-11.

Some Basic Facts:

- Federal law requires states to provide Medical Assistance coverage to certain individuals.
 - Federal law mandates specific services be provided to Medical Assistance recipients.
 - Expansion of eligibility and periods of economic recession have increased the number of Medical Assistance recipients.
 - Wisconsin's Medical Assistance recipients totaled 1.2 million in January 2011.
 - Medical Assistance increased from \$5.0 billion to \$7.5 billion in FY 2006-07 to FY 2010-11.
 - DHS paid vendors \$411.9 million for administrative support services from FY 2006-07 thru 2010-11.
 - From FY 2006-07 thru 2010-11, at least 8,975 investigations of potential recipient fraud were conducted.
 - Children and their parents or caretakers accounted for approx. 60% of all Medical Assistance recipients.
 - Medical Assistance services are provided through 16 subprograms - which are grouped into 3 categories
 - Acute & Primary Care Subprograms (recipients increased 57% from 2007-2011)
 - Long-Term Care Subprograms (recipients increased 19.2% from 2007-2011)
 - Limited-Benefit Subprograms (recipients increased 0.1%)
- DHS delivers Medical Assistance services thru 3 primary arrangements:
- Managed Care
 - Fee-for-Service
 - Contracts with County Governments to oversee in-home\community-based care.

Areas of Concern \ Problems Cited:

- DHS has not always adequately assessed costs before contracting with vendors, and its extensive reliance on vendors raises concerns about DHS' ability to provide adequate program oversight.
- It is widely believed that providing services through managed care programs is cost effective. However, 51.2% of all Medicaid expenditures were incurred on a "fee-for-service" basis in FY 2009-10.
- DHS' budgeting and financial management practices have not kept pace with the growth and increasing complexity of the Medicaid program, and DHS has not been able to readily produce the type of management information that is desired by legislators and needed for effective management.
- DHS does not include all Medical Assistance expenditures as part of the program's budget or record them as the program's expenditures.

- DHS neither budgets for, nor routinely accounts for, expenditures on a subprogram basis, which is typically how legislators and others deliberate the programs. Additional efforts are needed to budget for and record Medical Assistance expenditures.

Recommended Changes

- Develop separate accounting codes from administrative expenditures for the Medical Assistance and FoodShare Programs.
- Ensure it has adequate funding for contractual services before authorizing expenditures.
- Use bids to solicit the most appropriate and effective administrative services at the most competitive price.
- Review existing contracted services to identify whether cost savings could be achieved by using state employees.
- Consider the potential benefits of enrolling recipients into HMSs in a more timely manner.
- Account for all Medical Assistance expenditures in determining total program costs.
- Develop a more detailed biennial budget request and financial reporting structure to allow it to routinely budget and account for all Medical Assistance costs by subprogram.
- DHS should report to the Joint Legislative Audit Committee by January 14, 2013, on how implementation of the federal Patient Protection and Affordable Care Act will affect both participation and costs in Wisconsin's Medical Assistance program.

To view the report in its entirety, go to: <http://legis.wisconsin.gov/lab/reports/11-15full.pdf>



New Memos from DQA/BAL

DQA Memo 11-034

Wisconsin Statutes, Chapter 50, Revisions Relating to State Violations, Appeal Provisions, Forfeitures and Enforcement Actions
http://www.dhs.wisconsin.gov/rl_dsl/Publications/11-034.htm

As many of you are aware, Governor Scott Walker signed 2011 Wisconsin Act 70 into law on November 16, 2011, effective December 2, 2011. The new law makes changes to Wisconsin Statutes affecting the regulation of nursing homes including facilities serving people with developmental disabilities. The purpose of this memo is to provide information to providers regarding the effect this law has on providers. Certain provisions in the law apply only to federally certified nursing homes; other provisions apply to all nursing homes and to facilities serving people with developmental disabilities. The complete text of 2011 Wisconsin Act 70 can be found at:
<https://docs.legis.wisconsin.gov/2011/related/acts/70>

DQA Pharmacy Newscapsule / November - December 2011

http://www.dhs.wisconsin.gov/rl_dsl/Publications/PharmCapsule.htm

For more information about the DQA Numbered Memos or to receive these memos and more on the ListServ go to http://www.dhs.wisconsin.gov/rl_DSL/Publications/BQAnodMems.htm

State Facts for the Direct-Care Workforce Available

PHI (Paraprofessional Healthcare Institute) released its State Facts on Wisconsin's Direct-Care Workforce. This report was provided by support of the Wisconsin Long Term Care Workforce Alliance. WALA's Operations Director, Sarah Bass, is a Board Member of the Alliance.

This document shows that Direct-Care Workers are the largest occupational group, totaling almost 90,000 workers in Wisconsin alone. Also, Registered Nurses, Home Health Aides, and Personal Health Aides made the list of occupations projected to create the most new jobs in Wisconsin between 2008 and 2018.

This also highlights the low wages and dependencies on public assistance programs in this State for this workforce.

[View the PHI State Facts for Wisconsin](#)

[PHI Website](#)

[More information about the Wisconsin LTC Workforce Alliance](#)

Sincerely,

Jim Murphy, Executive Director
Sarah Bass, Operations Director

Wisconsin Assisted Living Association