

**MINUTES OF THE
HEALTH & HUMAN NEEDS COMMITTEE, HUMAN SERVICES BOARD,
LONG TERM SUPPORT & AREA AGENCY ON AGING
Tuesday, February 26, 2009**

HHN Members Present: Barbara Vedder, Jeremy Levin

HHN Members Absent: Shelia Stubbs, Eileen Bruskevitz (excused), Dorothy Wheeler (excused)

HSB Members Present: Barbara Vedder, Tom Stoebig

HSB Members Absent: Peng Her, Addie Pettaway, Paul Rusk, Nell Mally (excused)

LTS Members Present: Dale Bruhn, Barbara Vedder, Judith Hunter, Laurine Lusk, Deborah Garrett-Thomas

LTS Members Absent: Kathleen Nichols, Derick Pearson, Sue Petkovsek

AAA Members Present: Judith Hunter, Robert Herbst

AAA Members Absent: Shelia Stubbs, Elaine DeSmidt, Ashok Bhargava, Barbara McKinney, Duane Gau, Dorothy Wheeler, Judith Wilson, Esther Olson

Staff and Others Present: Jean Kuehn, Fran Genter, Lynn Green, GP Foster, Buck Rhyme, Deb Solis, Barb Thoni, Theresa Sanders, Jennifer Fischer, Janie Riebe, Kevin Keisling

Call to Order: Sup Vedder called HHN to order as a subcommittee at 5:35 p.m. Herbst called AAA to order as a subcommittee at 5:35 p.m. Sup Vedder called HSB to order as a subcommittee at 5:35 p.m. Bruhn called LTS to order at 5:35 p.m.

Public Comment: Kevin Keisling, Executive Director of Avenues to Community and Vice Chair of the DD Coalition, spoke in support of a County operated MCO for Family Care. He thanked members for helping to sustain services for people with developmental disabilities and appreciates the commitment of committee members. The DD Coalition feels that Family Care will not preserve the exemplary services in Dane County. Local control and accountability are best for consumers. He expressed concern that individual needs might not be met by a privatized system. He thinks that institutional care placements will increase. Keisling and the DD Coalition feel that a County run MCO is in the best interest of citizens who need long-term care as well as taxpayers.

Chair's Report/Announcements: Sup Vedder reminded members that the next Family Care meetings will be held on March 17 & 24 at 5:00 p.m. in the Job Center Ballroom. A facilitator will run the discussion and decision making process to formulate a recommendation for the County Executive and County Board on how to proceed with Family Care in Dane County. There will also be a joint meeting of HHN/HSB/LTS on Tuesday, March 3, 5:00 p.m., CCB 309, for 2008 ACS & BPHCC work plan updates. Green added that there will be a joint meeting with P&F/HHN prior to the County Board meeting on Thursday, March 6, at 6:30 p.m., CCB 315.

Family Care Discussion: Kuehn introduced Buck Rhyme, who will be facilitating the March 17 & 24 Family Care meetings. He is a Senior Partner in Organizational Skills Associates, a strategic consulting firm. He has been assisting counties and regional entities to establish ADRC's under State contract. The goal of the meetings is to come to a recommendation about the best way for Dane County to proceed with Family Care; this recommendation will be sent to the County Executive and County Board who are the ultimate decision makers. He suggested that individual committees discuss the issues prior to that time. He stressed the importance of the two meetings starting promptly at 5:00 and ending at 7:30 p.m. Green added that tonight is the last chance for questions and clarifying information. Committee members must remain focused toward decision making in the facilitated sessions. Kuehn distributed a summary of Family Care models and a calendar of Family Care expansion in the next biennium. Green noted that the State separated Rock and Dane counties in the budget.

Questions/Comments:

1. How is the Milwaukee County Family Care system working? In February, DHS announced that they would contract with three separate entities for Family Care in Milwaukee County: the Milwaukee County Department on Aging, Community Care Inc. (private MCO), and Independent Care Health Plan (private entity to provide the Partnership Program). Family Care in Milwaukee County is targeted to start in November 2009. The State seems to prefer at least two providers in every area. Genter noted that there is no guarantee that the State will accept County proposals. Sup Stoebig asked how having three MCO's would be cost effective when you would be duplicating administrative costs. The State will set a capitation rate that forces MCO's to keep administrative costs down. Genter added that the State would have a fixed capitation rate for Partnership and one for Family Care. Green clarified that if the population served gets divided between several MCO's, each will have less money than they might have hoped for. Sup Levin asked how frequently the capitation rate changes. Annually, however, if an entity fails, the State can re-bid the contract and renegotiate the capitation rate.
2. Herbst asked whether it would be important to resolve the capitation rate issue before deciding on a model. Genter responded that it cannot be resolved prior to deciding on a model. We have to rely on analysis. Green explained that the advisory recommendation to the County Executive and County Board could include caveats about negotiating an acceptable capitation rate and local contribution. The capitation rate is negotiated after entities are chosen to run Family Care.
3. Sup Vedder asked if there could be one MCO and IRIS as the second choice. Kuehn responded that IRIS would be in addition to multiple MCO's. Sanders added that Milwaukee County's PD and DD population is 5000+ so the State may have decided that three MCO's were needed. The ADRC must provide choices and IRIS is a choice; it is not Family Care.
4. Lusk asked whether the two options have to be two different MCO's. It is not a requirement but in order for an MCO to be successful, they have to have at least 1500 people in the pool. Green clarified that the State could legally choose Dane County only to run Family Care - it's the State's choice, not a Medicaid requirement.
5. Herbst asked how many consumers would go into Family Care in Dane County. Genter responded 2500 or less. Kuehn noted that the State puts out data on Medicaid recipients by County, which would give an indication of how many would be eligible.
6. Herbst asked how the Franchise Model works. Green responded that it is franchising the business end rather than service. It overlays all the models with efficiencies to reduce costs such as a franchise data system, payroll, IT systems, etc. Herbst feels that the Franchise Model has merit.
7. Lusk questioned whether the District Model would minimize risk. Green responded that it eliminates risk for the County. Lusk asked whether the Franchise Model would reduce risk and concern about how much start up money we would need. If Family Care could be run more cost effectively, the risk of deficitting would be reduced. Lusk asked whether the recommendation should include start up needs. Green responded that recommendations could include negotiation for start up costs.
8. Herbst asked whether there would be funds for the County in the stimulus package. Green explained that the State is not funneling any of the stimulus package money down to Counties. However, they are using it to lower reductions they make to Counties. The State is using part of the stimulus package as enhanced MA rate to get more federal dollars but will not pass the enhanced rate to the County. Sup Stoebig asked if it's legal for the State to not pass down higher federal MA reimbursement rates for services provided with local match and questioned whether someone is looking into it. Green verified that the Department and County Lobbyist are working on the issue. Foster explained that the State views the stimulus package as designed to benefit States, not Counties.
9. Hunter questioned the motivation for bringing alternative providers to the County. Private employers may pay staff less so it would cost less to run Family Care. However, Dane County has a living wage ordinance that providers must follow if they are Dane County contractors.
10. How will youth in transition age be informed? The ADRC transition coordinator will contact them. Sanders explained that the ADRC is responsible to transition youth into adult systems.
11. What will be done to inform nursing home residents about accessing services? Thoni explained that the ADRC will be doing outreach, and the State has responsibility to keep nursing homes and CBRF's informed. The Department of Quality Assurance and Board on Aging & Long Term Care work with nursing home resident rights and relocations. Sanders added that all ADRC's are required to send out a letter drafted by the

State notifying current individuals in the waiver programs about transition, which will spur referrals to the ADRC.

12. Lusk commented that multiple MCO's might keep costs down but the ability to control quality may be lost. She asked whether the County could be the MCO and ADRC. Green responded that the County is mandated to run the ADRC. There has to be a firewall if the County is also the MCO. Kuehn added that if the County MCO model were chosen, there would have to be a plan for development of a firewall between the ADRC and MCO.
13. Kuehn asked if the committee has had enough input to proceed with a recommendation for a Family Care model. Green reminded members that the provider and consumer community might issue recommendations of their own. Sup Vedder thought that public hearings would be held before making a decision. Public comment at committee meetings from providers and consumers has supported a County operated model. Sup Stoebig doesn't feel public hearings would help much unless a concrete proposal is offered. Town hall meetings have been held already, and there has been public comment opportunity before every committee meeting.
14. Hunter expressed her concern that there is more to this than one can comprehend. She doesn't feel comfortable recommending something when there could be something in the model that members aren't informed about. She feels someone should be talking to the County Board and thinks the sentiment will be to cut the risk.
15. Sup Vedder asked if there has been updated information since the issue paper was written in June 2008. Kuehn responded that all updated information has been brought to the committees. Numbers can't be recalculated until there is a plan.
16. Herbst wondered whether staff has major concerns with any of the models. Green responded that it is a hard decision. The current fiscal situation makes it worse. Current analysis of the Governor's budget is that we will lose around another half million this year and \$2.4 million next year. This adds complexity to how much risk we can take on and where we will find resources. Children Come First is a managed care entity run by the County and is very involved and staff intensive. CCF serves about 150 youth. Whatever decision the County makes must be backed with resources or we can't succeed in managed care, which would be terrible for consumers. When we go to Family Care, each consumer will only have the capitated amount no matter who runs it. Green expressed concern that consumers and providers might think that if the County runs Family Care, they would be able to add to the program, but that is not the case. Staff will bring ultimate caring and enthusiasm, but no extra resources will be available. Family Care will change things in Dane County whether the County or a private agency runs it.
17. Hunter expressed fear that the Federal and State Government's fiscal condition will decrease MA over the next few years so the capitated rates will decline or eligibility requirements will go up.
18. Sup Levin asked how county employees would be affected if the County does not run Family Care. Green said that the number of staff it will take to run the ADRC is similar to the numbers that we have doing waiver related work in the Department. It will force different duties but probably not lead to any kind of major position loss. Foster explained that once Family Care starts, it will be a challenge to replace 7% of the total amount in administration dollars that we use to pay administrative salaries. Genter believes that MA cost per person decreases for each person in Family Care as opposed to waiver programs.
19. Sup Stoebig encouraged members to read materials more than once and suggested sitting down with Senator Mark Miller to inform him of issues the County faces in regard to Family Care participation. If our County levy goes to fund Family Care and we have \$9 million in start up costs, could we use some of the \$19 million to fund some of our initial start-up costs? Sup Stoebig believes that the County needs to find a political solution. Sup Vedder suggested contacting Rep Mark Pocan as well.
20. Lusk asked members not to ignore the human faces of people already at high risk. DD budget cuts are forcing consumers to move back to their parents' home. Although she is excited that the waiting list will go away, she wonders at what expense. Lusk commented if she knew that we could negotiate the capitation rate and buy down and knew that people would be safe, she would be more willing to support Family Care. She wants to talk more with consumers and DD providers and wants as direct connection as possible to the MCO. Green commented that the State has always waited for Counties to let them know they are ready to go. Lusk suggested that if Dane County goes to Family Care willingly, we might be able to negotiate, establish a level of service and build up reserves before the State runs out of money.
21. Hunter expressed concern about how AAA and the Older Americans Act integrate with Family Care. Genter explained that the benefit specialist services, which are part of AAA, have to be part of the ADRC. One recommendation of the ADRC planning group is that protective services be separate from the ADRC so the

ADRC is viewed as a helpful resource rather than the social work enforcers. Thoni added that many of the people that go to the ADRC just need a little bit of help; most won't go into Family Care. Hunter is concerned that the AAA office will have limited ability to function under Family Care, because some of the funds and staff will be redirected to the ADRC. She questioned whether focal points would be eliminated in Family Care. Green said that over 85% of the people served by ADRC's don't go into Family Care, so focal points are needed to refer them to. Staff will advocate for focal points, but there is \$800,000 GPR involved that's not mandated. Genter added that some ADRC's have reported not having agencies to refer to. Green stated that ADRC's are wonderful models, but some are struggling financially because of the high level of referrals. The State acknowledged that current ADRC's are under funded, but the Governor's budget doesn't include extra money for them. Genter added that the State was working with ADRC's to capture more MA revenue and they have done that, but the State is keeping it rather than passing it on to the ADRC's.

22. Sup Stoebig requested a more detailed breakout of administrative costs. If the County doesn't become the MCO and administrative revenues are lost, he wants to know what we have to make up.
23. Sup Levin requested a comparison of other County MCO models. Green answered that Milwaukee County is the only County MCO. All others have gone with the District Model or privatization.
24. Lusk feels it's important to inform people of the importance of the next two meetings.

Adjournment: Meeting adjourned at 7:35 p.m.

Next Meeting: March 3, 5:00 p.m., CCB 309 - Joint HHN/HSB/LTS

Recorded by Dawn MacFarlane

Note: These minutes are the notes of the recorder and are subject to change at a subsequent meeting of the committee.