

Survival Coalition of Wisconsin Disability Organizations

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To: Governor Jim Doyle

From: Lynn Breedlove, Michael Blumenfeld, & Jennifer Ondrejka, Co-chairs

Date: July 7, 2005

Subject: Veto Requests

Before our discussion of possible vetoes, we would like to thank you again for your continued resistance to any major attacks on Wisconsin's Medicaid Program, and for your budget proposals for the Community Relocation Initiative and Specialized Transportation. We appreciate your commitment to ensure that people with disabilities in Wisconsin receive the support they need to live independent lives in the community.

Request for Vetoes

There are 3 areas of the budget where disability advocacy organizations have serious concerns regarding the actions of the legislature. We are asking you to use your line-item veto powers in these areas:

1. \$16.8 million cut in Medicaid Personal Care, Home Health Care and Private Duty Nursing

There appeared to be some optimism within the provider community that the original reduction proposed in your budget for these programs could be absorbed without significant harm to consumers. However, after the legislature expanded the cuts to \$16.8 million, there's real alarm within the disability community. These programs are entitlements under Medicaid; there are not supposed to be denial, delays or rationing in the provision of these services to eligible individuals. The scale of these cuts may lead to exactly those consequences.

Considering the rate increases that other providers received and that the fact there are no other providers that we know of who received cuts in this budget, it seems unfair to make such a sizable reduction in spending on community-based long term care services. We also question

the wisdom of expanding the cuts given the increased need for these services under your community relocation initiative.

We ask that you either:

a) delete the \$16.8 million number and replace it with your original proposed reduction,

or

b) delete the language that requires that the cuts come only from these 3 programs and/or make it clear in your veto message that DHFS has the flexibility to distribute the cuts more evenly throughout the Medicaid budget.

2. Raising the cap on the size of CBRFs (community-based residential facilities) from 4 beds to 8 beds in the CIP 1A, CIP 1B, and Traumatic Brain Injury (TBI) Medicaid waiver programs

Since 1980, disability advocates have been trying to reverse the earlier trend of building large numbers of 8 bed group homes for people with developmental disabilities in Wisconsin. The congregation of this many people in one home often replicates many of the features of institutional living: standardized routines, rules, menus, and activities, and reinforcement of inappropriate behavior. This contradicts the trend toward more individualized planning and supports for people in smaller settings, which was the original premise for the CIP and COP programs. 8 bed group homes also tend to generate more “not in my backyard” neighborhood resistance than smaller homes.

Even with the current 4 bed cap on CBRF size for the CIP and TBI programs, counties can (and often do) ask DHFS for waivers to build 8 bed homes. DHFS is under pressure to counties to grant these waivers, and they sometimes do.

Counties have now convinced the legislature to remove the 4 bed cap altogether. They argue that this will save money. In fact, DHFS’ analysis of this does not support the claim that 8 bed homes are consistently less costly than 3 and 4 bed homes or even individual apartments (which don’t always require 24 hour a day staff). The data is not clearcut.

In reality, the big advantage of 8 bed homes is convenience for counties and providers. Planning for people in “8 packs” rather than doing real individualized planning for each person and offering real choices is expedient but it violates the values that Wisconsin’s long term care system was built on.

3. Changes in HIRSP

The Joint Committee on Finance voted to radically change HIRSP from a program that is part of state government to one that is part of a new private nonprofit organization. It strips public accountability and oversight from the program and leaves plan participants vulnerable to the actions of a board where their representatives are a clear minority. It also removes all requirements for benefits, deductibles, copayments, out of pocket limitations, and rate setting procedures from the statutes and administrative code. All of these issues will be determined by the new board, which is dominated by insurers and health care providers. There is a strong possibility that all of these features of the program will be incrementally eroded over time. Costs for premium and deductible subsidies for low income policy holders were also shifted by the legislature from insurers and providers, who currently pay 100% of the cost, to plan participants, who will now pay 60% of the cost. Finally, the changes restrict HIRSP eligibility so that persons will have to wait longer and jump through more hoops to get coverage. All of these changes were made with no opportunity for public input, and no input from plan participants or the current Board of Governors.

We believe that all of these changes will be detrimental to current and future HIRSP participants. In fact, we believe that these changes could mark the “beginning of the end” of the real impact of this program in the lives of people who cannot obtain health insurance from any other source.

We ask that you veto all the changes and retain current law.

Request for No Veto

1. Psychotropic Medications

One area where we support the action taken by the legislature relates to psychotropic medications for people with mental illness in Wisconsin. Many mental health

consumers have discovered that changing their medication (even to a similar medication in the same “family” of medications) can have a devastating effect on their recovery and symptom management.

The budget provision we would like to preserve is as follows: “Prohibit DHFS from placing any new limitations on reimbursement for psychotropic medications, other than selective serotonin reuptake inhibitors and stimulants and related agents, that are prescribed to treat mental illness, under the state’s MA, BadgerCare and SeniorCare programs in the 2005-07 biennium.”

We are aware that you vetoed similar language in the last budget, but we see this provision as different because it is time-limited and related to a new pilot project on medications.

We ask that you leave this provision in the budget.

2. Pilot Program for Inmates with Mental Illness Re-entering the Community

This small pilot program is consistent with discussions between mental health advocates and DOC in recent years. With a modest expenditure of GPR funds (\$43,700 in Yr. 2 only), this program will prove that inmates with mental illness can “make it in the community”, if they receive appropriate case management and supports.

We ask that you allow the legislature’s action to stand.

Thank you for your consideration of our requests.

cc: Secretary Marc Marotta, DOA
Secretary Helene Nelson, DHFS
Secretary Matt Frank, DOC