



WAITING IN WISCONSIN

A bulletin about the disability waiting list in Wisconsin written by Gerry Born
May/June 2003

Vol. 2, No.5

FINANCE COMMITTEE FINISHES ITS BUDGET REVISIONS

On June 4, 2003 the Legislature's Joint Committee on Finance (JFC) finished its review and revisions of Governor Doyle's 2003-05 budget proposal. Significant modifications were made especially in areas important to services for people with disabilities and their families. The following are specific items of relevance in the JFC budget:

\$68 million for improved and increased services removed: First and most critically, the \$68 million that was proposed to increase the CIP 1B and COP Waiver rates, add funds for people on the waiting lists and in the Community Support Program, add Kenosha to Family Care along with being the anchor for the Department of health and Family Services' (DHFS) proposed long term care reform was set aside. This means it is no longer in the 2003-05 proposed budget that now goes to the State Senate for a vote. The JFC did not totally eliminate the \$68 million, but created a provision that if the state gets the additional federal money DHFS has been seeking through its waiver request, then the \$68 million service package can go before the legislature as separate legislation. Secretary Nelson is continuing her efforts to obtain these funds. However, as it stands now, all the resources to make improvements in the services for people with disabilities and the elderly are eliminated.

In-home autism funds: The Governor's budget eliminated the in-home autism benefit that has been available as a Medicaid card service, which means it has been part of the Medicaid program like physician visits. The federal government has refused to continue to participate and fund the program in this way. DHFS, advocates, and the JFC agreed to make this program part of a Medicaid children's redesign waiver and provided over \$17 million for a more limited version of this program.

Part of enhanced Medicaid funding applied to Medicaid program: While the federal government through the tax reduction bill provided \$333 million additional Medicaid match funds to Wisconsin, only \$151 million were applied to the Medicaid program. Additional Medicaid funds will be needed to provide for existing program costs and fund the \$68 million identified for program improvements.

Managed care for SSI recipients: The JFC reduced the estimated cost savings from the managed care program that will require people with disabilities on Medicaid (MA) to enroll in managed care programs. It did, however, approve this program. This program has far-reaching implications for people with disabilities on MA. Up to now SSI recipients could go to any physician or clinic or any provider that accepted Medicaid. As this program unfolds, these same people will have to enroll in a managed care plan and receive services through the managed care organization. The JFC did, however, require DHFS to work with advocates and HMOs in determining the types of services that SSI recipients require and in determining appropriate rates. It is estimated that 82,000 recipients could be enrolled in managed care plans, but it may begin in just a few counties. This program is still evolving, and as more information becomes available, it will be shared through this bulletin.

ICF/MR and nursing home care restrictions: The governor's budget proposed significant restrictions on placements in community ICFs/MR and nursing homes for people with developmental disabilities. Counties would have to develop a community plan or determine that a community plan was not possible before this type of institutional placement could be made by a court using the Chapter 55 Protective Placement process. Also counties would receive the state share of funds for these institutional placements and would have to pay the state share if the person remained or was placed in one of these institutional settings. The county could also use these funds for community care. The JFC approved this initiative with a few minor modifications. Exceptions to these requirements were made for two non-profit, national organizations, and the time to attempt to do a community plan by counties was extended from 90 to 120 days.

Northern Center downsizing: The downsizing plan for Northern Wisconsin Center (NWC) was modified by the JFC. While the majority of the downsizing plan was approved, the transfer of funds and possible transfer of over 50 individuals to another center was not approved. The plan was given a longer time to be implemented. Neither of these items is considered a problem since transferring people to other centers has always been seen as a concern. Giving counties, providers, and advocates a longer time to work out community placements can add to the quality of those placements. DHFS has a goal of only 20 long term care residents being at Northern by the end of the biennium plus the 30 intensive treatment beds.

Other:

- The \$200 million transfer from the Patient Compensation Fund to MA was not approved.
- Personal needs allowance for people in institutions was restored to \$45 per month.
- Nursing home bed tax was reduced, but nursing homes will still get a 3.2% increase. Some portion of this increase is being funded by additional state tax funds, possibly up to 1/3 of the 3.2%.
- As part of the Autism restoration amendment, CIB 1B slots for the children's Long Term Care Redesign were included. Fifty-three slots for the redesign, 25 for Milwaukee and 7 for each of the other 4 regions, are included plus 40 for crisis placements statewide.
- No increase or decrease was provided for Community Aids (core county funding), Family Support, Birth to Three, and Youth Aids.
- While shared revenues were spared substantial cuts, the three year tax levy freeze for local communities, including counties, could pose serious problems since counties have been providing almost all the funds for any increase in community funding for most of the last 10 years.

WHAT NOW?

The Budget now goes to the State Senate for approval and then to the Assembly. From there it goes to the Governor for his approval/vetoes. After the JFC's actions, there is a \$282 million deficit in funds for basic and expanded Medicaid services including the \$68 million for the reinvestment, long term care improvements and redesign. This is a serious problem since both core services and improvements in services are lacking. The inability of counties to provide additional resources during the next three years is also a significant problem.

Three actions could help to improve this budget:

- 1. Approve a \$214 million transfer of funds from the Patient Compensation Fund to make up for the \$214 million Medicaid deficit.**
- 2. Eliminate the freeze on the property tax levy for counties.**
- 3. Change the requirement that new legislation must be approved by the full legislature if DHFS gets additional funds for long term care reform and improvements to one that requires only a passive review by the Joint Finance Committee.**

If advocates want to get involved as the full legislature acts on this budget, requesting legislators to make these three simple but critical changes is one possible way to get involved. These three changes, if approved, could at least set the stage to improve a rather seriously flawed budget into one that could make significant improvements in the lives of people with disabilities. These changes could also help the plan for long term care improvements to get a good start. DHFS would have a much better chance to get the \$68 million for long term care reform if the basic Medicaid program was fully funded.

The next issue of Waiting will include information about the budget passed by the full legislature and a more complete analysis of what it may mean for services for people with disabilities. A similar analysis will occur after the Governor vetoes/approves the budget.

This bulletin was funded, in part, by the Wisconsin Council on Developmental Disabilities using federal funds provided under P.L. 106-402 through a grant authorized by the Administration on Developmental Disabilities and the U.S. Department of Health and Human Services. The information reported herein was compiled pursuant to the State Plan on Developmental Disabilities. Grantees undertaking projects under Council sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not, therefore, necessarily represent the official position or policy of the Wisconsin Council on Developmental Disabilities.

The Arc Wisconsin provided additional funds to produce this bulletin.