



March 20, 2024

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Department of Health Services  
Division of Medicaid Services  
1 West Wilson Street  
Madison, WI 53703

RE: 2025 MCO Contract Amendment Suggestions

Dear Ms. Fox and Ms. Van Sicklen:

Thank you for the opportunity to submit comments with respect to the 2025 MCO Contract Amendment.

The Wisconsin Assisted Living Association (WALA) represents the majority of Wisconsin's assisted living providers, with over 1,600 facility members. This includes community-based residential facilities (CBRF), residential care apartment complexes (RCAC), and adult family homes (AFH).

**Care Management/Duplication of Services – Section V.B. and C.**

To begin with, we would like to underscore that we certainly understand the intent of the Family Care program is to provide the best quality of care and services to all individuals participating in the program. But, we believe it is imperative the Family Care program distinguish between licensed assisted living settings and individuals that are receiving services in their own personal home. There are certain oversight activities within the Family Care program that are appropriate for individuals receiving services in their own personal home versus a licensed assisted living setting that is already governed by Wisconsin state regulations. Having any duplication of services detracts from the ability to provide quality care and increases costs.

With that being said, according to the current Wisconsin Family Care and Family Care Partnership Long-Term Care Waiver Programs (Waiver), managed care organizations (MCOs) are required to provide care management services which include:

- A comprehensive assessment of the member's strength, abilities, functional limitations, lifestyle, personal circumstances, values, preferences, and choices.
- Development of an individualized plan of care.
- Authorization for the purchase of paid services identified in the plan of care.
- Monitoring of the delivery and quality of the paid services identified in the plan of care.

- Monitoring of the member's circumstances and ongoing health and well-being.
- Maintenance of a member record and all documentation associated with the delivery of services and any required waiver procedures.

As a means to enhance the quality of services from both MCOs and licensed assisted living settings, MCOs should not be required to provide the same care management services that a licensed assisted living provider is already mandated to provide under Wisconsin state law – DHS 83.35 (CBRF), DHS 88.06 (AFH), and DHS 89.26 (RCAC). While we understand it may be necessary for a MCO to provide care management services to individuals that are residing in their personal home, this is unnecessary in licensed assisted living settings as it creates a duplication of services, negates the ability to provide quality care to residents, and increases the cost for services. Further, as both assisted living facilities and MCOs are enduring a workforce crisis, it is not a good use of time, resources, or money to have two nurses provide two assessments on the same resident.

### **Room and Board – Section III.E.**

We remain concerned that assisted living providers participating in the Family Care program are receiving reimbursement cuts as a result of the room and board methodology.

As part of Appendix I: Financial Accountability, I-5: Exclusion of Medicaid Payment for Room and Board, the current Waiver states:

Prepaid Inpatient Health Plans (PIHPs) are required to exclude room and board from the cost of allowable waiver services. Payments to providers for room and board are not processed through the Medicaid system and are, therefore, not included in any Medicaid cost reports. The waiver member pays the room and board obligation from the waiver member's funds.

EFFECTIVE FEBRUARY 1, 2021:

The waiver member's room and board obligation is the lesser of:

- U.S. Department of Housing and Urban Development (HUD) Fair Market Rate (FMR) rental amounts based on residential type plus the maximum Supplemental Nutrition Assistance Allocation for one person; or
- The member's available income for room and board using procedures specified by the State Medicaid Agency (SMA).

Given that the Family Care member's room and board obligation will change at least annually, and vary by county, we respectfully request that the Wisconsin Department of Health Services (DHS) publishes a chart which outlines, on a county by county basis, the HUD FMR rental amounts based on residential type plus the maximum Supplemental Nutrition Assistance Allocation for one person.

We also request that a MCO disclose to a provider the amount of income for room and board the MCO has determined the Family Care member has available using procedures specified by the SMA.

**Pay for Performance – Section XVIII.E.**

We agree and appreciate the Division of Medicaid’s position of continuing to pursue Pay for Performance (P4P) initiatives within the Family Care program. In particular, the Assisted Living Quality Improvement program that is tied with the Wisconsin Coalition for Collaborative Excellence in Assisted Living (WCCEAL) is a great start. Unfortunately, while the intent of this program is good, all of the incentives are provided directly to the MCO. In fact, it is the assisted living facility that is conducting and performing most if not all of the quality initiatives tied within this P4P. To further enhance and promote quality within assisted living facilities, all funding and incentives as part of the Assisted Living Quality Improvement program and any other P4P initiatives should be provided directly to the assisted living facility.

**Risk Corridor – Section XVIII.N.**

We completely agree with the intent of a Risk Corridor to “address variances in costs for all benefit services other than care management” (p. 339). With that being said, we believe any recoupment made by the Department from a MCO as part of the Risk Corridor should be directed back to assisted living facilities as part of a directed payment. This will help ensure all necessary funding is being directed as appropriate to assisted living facilities.

Thank you for your consideration of these comments. Please contact me with any questions or requests for additional information.

Sincerely,



Michael S. Pochowski  
President & CEO