



Legislative Fiscal Bureau

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June 30, 2015

TO: Representative Chris Taylor
Room 306 West, State Capitol

FROM: Stephanie Mabrey, Fiscal Analyst

SUBJECT: Potential Impact of the Proposed Long-Term Care Changes on the Self-Directed Services Option

In response to your request, this memorandum provides information regarding the potential impact of the proposed changes to the state's long-term care programs, adopted by the Joint Committee on Finance (JFC) under Motion #513, on the IRIS (Include, Respect, I Self-Direct) program.

Currently, individuals who are eligible to receive Medical Assistance (MA) long-term care services may choose to receive limited long-term care services on a fee-for-services basis, receive home and community-based long-term care services from a managed care organization, or self-direct home and community-based long-term care services under the IRIS program. Individuals who choose to self-direct their services under the IRIS program are authorized a budget amount, which is determined through an independent functional screen that assesses an individual's ability to conduct activities of daily living. IRIS enrollees, with assistance from an IRIS consultant agency (ICA) and a fiscal employer agent (FEA), develop a care plan, and hire and manage their own budget and employees to obtain any authorized services.

Under the motion approved by JFC, the Department of Health Services (DHS) would be required to request a waiver from the federal Centers for Medicare and Medicaid Services (CMS) to modify the state's long-term care programs, including the IRIS program. The waiver would specify that an integrated health agency (IHA), which would administer the state's managed long-term care program, would also make available a self-directed option. The IHA would assist individuals in developing individualized support and service plans, ensure that all services are paid according to these plans, and assist enrollees in managing all fiscal requirements associated with the self-directed option. Individuals participating in the self-directed option would select, direct, and/or employ persons offering any of the services available under the current IRIS program, and manage an individual home and community-based services budget based on a functional assessment performed by a qualified entity and the availability of family and other caregivers who

can help provide needed support. This waiver would be subject to approval by JFC prior to submittal to CMS, and by CMS prior to implementation.

You requested information regarding whether the language in the approved motion specifies the following: (a) eligibility requirements for the long-term care programs, including whether all individuals who are eligible for the state's long-term care programs would continue to be eligible to participate in the self-directed option; (b) whether enrollees in the self-direction option would receive ongoing support from the IHA throughout the duration of their participation in the self-directed option, including information regarding available services, support in making service arrangements, and assistance during an emergency or crisis situation; and (c) whether IHAs would be required to inform individuals who enroll in the IHA of the availability of the self-directed option. The motion does not specify any of these requirements.

In addition, you asked whether, under the language in the motion, an individual with family and other caregivers who could help provide needed support could receive a lower budget allocation than an individual who does not have similar informal supports available. Under the language in the motion, an individual with available informal supports could receive a lower budget allocation than another individual without such supports. This differs from the current IRIS program, in that budget allocations are determined through a functional screen without accounting for whether an enrollee could receive any services through informal supports.

It should be noted that the motion only specifies the aspects of the self-directed option that DHS must include in a proposed waiver request. The motion does not prevent the Department from including additional items. Therefore, the aforementioned items could be addressed in the final waiver, even though they are not explicitly enumerated in the language of the approved motion.

I hope this information is helpful. Please let me know if you have any additional questions.

SLM/lb