

Survival Coalition Analysis of Governor's 2011-2013 Budget

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SECTION	Question or Clarification	Position
BUDGET REPAIR BILL		
<p>MEDICAID</p> <p>In order to balance the cuts proposed to local governments, Medicaid and schools in the biennial budget bill, the bill assumes changes to DHS authority, collective bargaining and public employee pension and health care benefits that are proposed in the budget repair bill, either through state plan amendments for CMS waivers of federal regs'.</p> <p>Under the budget repair bill, DHS would be given broad authority to do the following:</p> <ul style="list-style-type: none"> ▪ Seek waiver from federal government to be exempt from federal restrictions on what it can do with Medicaid ▪ Reduce income eligibility for BadgerCare Plus to 133% of FPL ▪ Seek to enforce tougher crowd-out provisions (provisions that require people to take alternative insurance, i.e. employer group health insurance, even if it is prohibitively expensive). ▪ Change Medicaid eligibility or coverage 	<p>The budget repair bill has been approved by the state Assembly but remains stalled in the state Senate as of 3/4.</p> <p>Advocates are opposed to the provisions in the budget repair bill that would give the DHS Secretary the authority to issue emergency rules and make broad changes to the Medical Assistance state plan and federal waivers with extremely limited legislative and public oversight and input.</p> <p>We cannot predict yet which changes DHS will want to make. Some will require a federal waiver and some won't. This will affect our decision of whether to advocate at the CMS level.</p>	

<ul style="list-style-type: none"> ▪ Increase cost-sharing ▪ Allow providers to deny care or services if Medicaid recipient is unable to pay cost-share ▪ Change benefit packages ▪ Change provider reimbursement rate ▪ Mandate enrollment in managed care ▪ Restrict or eliminate presumptive eligibility ▪ Impose restrictions on providing benefits to non-citizens ▪ Change verification requirements for eligibility ▪ Have more frequent redeterminations of eligibility 		
<p><u>TRANSIT</u> If passed as is, the Budget Repair bill will result in a loss of \$46 million in federal funds for public transit.</p>		
SHARED REVENUE AND TAX RELIEF BUDGET		
COUNTY AND MUNICIPAL AID		
<p>(Shared Rev. Budget – p. 425) 1. The biennial budget bill reduces the total amount of county and municipal aid payments beginning in calendar 2012. The total amount of the reduction for all counties is \$36,500,000 and the total amount of the reduction for all municipalities is \$59,500,000. Reductions will be phased in – will not affect this calendar year.</p>	<p>This will have a significant impact on the ability of counties to deliver services important to people with disabilities.</p>	
DEPARTMENT OF HEALTH SERVICES BUDGET		
MEDICAID		

<p>(DHS Budget p. 235-255)</p> <p>The Medicaid budget includes unspecified cuts and savings amounting to a \$500 million cut in the next biennium.</p> <p>Medicaid Rate Reform 3.0 was <u>not</u> approved.</p> <p>5. Medicaid Base Reestimate includes the cost to continue for Family Care</p> <p>6. Replacement of Enhanced Federal Matching Funds for Medicaid – 660,254,700 in 2012 and 666,606,600 in 2013.</p> <p>Potential Medicaid Savings The budget assumes savings from various reforms, some* described as “significant” and “immediate” including:</p> <ul style="list-style-type: none"> ▪ increased co-pays and deductibles ▪ consolidation of eligibility determination activities ▪ greater use of managed care ▪ a comprehensive review of the Family Care program 	<p>1. We do not know ultimately how much DHS will attempt to save by implementing these various cost savings measures. The budget does not break down the source of individual savings and since M.A. rate reform was not approved, the stakeholder input process is unclear. Again, these savings are achieved through the combination of measures assumed in the budget repair bill (summarized earlier in this document.)</p> <p>How do the proposed cuts in state match affect federal matching funds that are lost due to proposed cuts?</p> <p>5. We are trying to get more information on the Medicaid Base Re-estimate.</p> <p>We don’t know which programs will be changed in any of these ways. We are seeking more specifics. DHS has announced that they will have a “Road Show” (probably in March and April) to get input from stakeholders on these ideas.</p>	
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<ul style="list-style-type: none"> ▪ Other steps necessary to bring health care cost inflation in line with the state’s ability to pay. ▪ Fund the costs of administering the Medicaid, BadgerCare Plus, Family Care and SeniorCare programs based on actual expenditures in prior years. ▪ Offer multiple, customized benefit plans tailored to the needs of specific populations and bring the coverage of working families back in line with private insurance.* ▪ Manage the care provided to high-needs individuals to prevent avoidable complications and reduce the provision of unnecessary services.* ▪ Develop innovative models of service delivery to realign provider incentives with better outcomes, and coordinate care covered by Medicare and Medicaid to better meet the needs of recipients.* ▪ Expand programs that encourage and support the self-direction of services, giving individuals the opportunity to decide how and when services are delivered to best meet their needs while promoting the efficient use of benefits.* ▪ Develop systems to encourage and reward individual responsibility by assisting recipients in making healthy lifestyle choices, managing their benefits effectively and avoiding unnecessary care.* <p>Other savings are intended to come from:</p> <ul style="list-style-type: none"> ▪ limiting reimbursement for end stage renal disease ▪ eliminating family planning ▪ limiting payment of coinsurance on Part A of Medicare for those on QMB – should only affect provider 	<p style="text-align: center; opacity: 0.2; font-size: 48px; font-weight: bold;">DRAFT</p>	
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<p>reimbursement and not persons on QMB</p> <ul style="list-style-type: none"> ▪ eliminating supplemental payments to essential access city hospitals ▪ Requiring individuals to enroll in SeniorCare to also reenroll in Medicare Part D. ▪ Transferring administration of income maintenance programs such as Medicaid and BadgerCare Plus from the counties to the State (estimated \$48 million savings.) 		
<p>Changes to the Medicaid cost reporting system that the counties use to draw down FFP for certain Medicaid services.</p>	<p>Not sure what the real implications might be.</p>	
<p>BADGERCARE</p>		
<p>Participants may have higher co-pays and higher premiums; possible changes to eligibility (see other proposed cost-savings measures mentioned above)</p>	<p>Could cause many families to lose coverage because they can't afford the higher BadgerCare premiums or the coverage offered by their employers.</p>	
<p>FAMILY CARE and ADRCs</p>		
<p>(DHS Budget p. 235-255)</p> <p>In a county where Family Care, Family Care Partnership, PACE, or IRIS is available, this bill caps enrollment in an available program at the number of participants in that county on June 20, 2011. This bill</p>	<p>What are the legal issues regarding “freezing” an entitlement? Will this require a modification in WI’s waiver agreement with CMS?</p>	

<p>also prohibits the expansion of Family Care to counties in which the program is not available on July 1, 2011, during the 2011–13 biennium, unless DHS determines that the expansion is cost-effective.</p> <p>9. Family Care Program and Funding - The Governor recommends refocusing the Family Care program and incorporating recommendations of a pending Legislative</p>	<p>What happens to those who turn 18 or who become newly eligible?</p> <p>Expansion to Rock, Dane, Brown Counties halted.</p> <p>The Milwaukee County waiting list includes nearly 2000 people from the original list (1964) and an additional 520 new referrals since August 2010 totaling 2484. People on the waiting list have been able to get some services from Milwaukee County Disability Services but the cuts to shared revenue and community aids concurrently with the freeze of Family Care leave us with absolutely nothing.</p> <p>We need to clarify what criteria will be used by counties to decide who gets a new slot when it is available.</p> <p>We are now re-creating waiting lists in counties that have not had waiting lists for five years or more (e.g. Portage County.) Is there a need to re-instate the nursing home diversion program?</p> <p>What happens to counties where the legacy waivers will continue to exist? Will the state renew its waivers for COP-W, CIP 1 and CIP2?</p>	
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<p>Audit Bureau audit. Asks for adequate review of the effectiveness of the program in meeting the care needs of participants, and providing services in a cost-effective and accountable manner.</p> <p>Family Care Independent Advocacy/Ombudsman funding continues at current funding levels.</p> <p>The overall 2011 - 2013 ADRC budget that was developed by Secretary Timberlake in the fall has not been changed in the governor's budget. The ADRCs will continue with the same funding formula. The Disability Benefits Services (DBS) program and staff attorneys will also continue with the same funding.</p>		
<p>CHILDREN'S LONG TERM SUPPORTS/BIRTH TO 3</p>		
<p>Under this bill, DHS must contract with a private entity to administer third party billing for the Birth to 3 waiver program and the children's waivers.</p>	<p>These changes are being made to comply with CMS guidance.</p> <p>(Note: Outside the budget document, there have been reports that DHS is considering changing B-3 from a 1915(c) to a 1915(i) waiver we do not know yet what</p>	

<p>Children’s Waiver slots – cost to continue for the new slots funded in the 2009 – 2011 biennium.</p>	<p>the implications of that are.)</p> <p>We believe that the cost-to-continue for existing children’s waiver slots is included in the Medicaid Base re-estimate. This reflects a substantial funding increase in the children’s waiver program, since the new slots started in 2009 – 2011 (some of which were only funded for a few months at the end of the biennium) will be fully funded for 24 months in the 2011- 2013 biennium.</p>	
<p>SENIORCARE</p>		
<p>(DHS Budget p. 235-255)</p> <p>8. Medical Assistance Efficiencies - individuals enrolled in SeniorCare will be required to also enroll in Medicare Part D</p>	<p>We’re waiting for more information on the implications of this proposal from DHS and aging groups.</p>	
<p>INCOME MAINTENANCE PROGRAMMING</p>		
<p>11. Income Maintenance Centralization - The Governor recommends transferring administration of income maintenance programs, including eligibility determination for Medicaid and FoodShare, from counties and tribes to the state.</p> <p>17. Eliminates the state-only FoodShare program, which provides FoodShare benefits to legal immigrants who do not meet federal residency requirements.</p>	<p>We need to hear from WI Counties Association, WCHSA, and GLITC. Key: what impact will this actually have on consumers</p> <p>We will see which other organizations are working on this. So far we know that Voces de la Frontera and the WI Council of Churches are involved.</p>	

<p>SSI Managed Care</p> <p>DHS will continue to contract with several HMOS to offer medical services to SSI recipients. DHS will retain the SSI managed care external advocacy program managed by Disability Rights Wisconsin.</p>		
<p>HEALTH RECORDS</p>		
<p>FAMILY PLANNING</p> <p>The budget bill eliminates state family planning funding under the Title V Maternal and Child Health care program.</p> <p>The budget bill eliminates Medicaid payments for family planning services for men – the Medicaid Family Planning Waiver Program.</p>	<p>Title V is the only state funded family planning program which provides health care services to uninsured women and men including cervical cancer screens, prostate cancer screenings, breast and well women exams, testing and treatment for sexually transmitted diseases and access to birth control. This is the main access to health care for many low-income women with disabilities.</p>	
<p>MENTAL HEALTH</p> <p>(DHS Budget p. 235-255)</p> <p>20. Community Recovery Services - The Governor recommends expanding the scope of services under the Community Recovery Services waiver to permit counties to claim federal Medicaid reimbursement for</p>	<p>This appears to create some flexibility for counties, however there is no new state funding. Counties would continue to provide the entire state share.</p>	

<p>additional types of community-based services provided to individuals with mental illness.</p> <p><u>New Program</u></p> <p>Instruction to Mendota and UW to create a new treatment program for children with severe emotional disabilities.</p>	<p>We are seeking more information</p>	
ADULT FAMILY HOME CERTIFICATION		
<p>(DHS Budget)</p> <p>Repeal of Adult Family Home Certification - The Governor recommends transferring the certification of one and two bedroom adult family homes to counties. The authority to certify these facilities was transferred to the state in 2009 Wisconsin Act 28, but the administration of the program did not transfer because it was determined that it was more efficient for local entities to conduct the certifications.</p>	<p>Who will certify Adult Family Homes – counties or MC0s? How will it be determined which entity does it? How will it be ensured that it actually gets done?</p>	
QUALITY HOME CARE AUTHORITY		
<p>(DHS budget)</p> <p>Delete the Wisconsin Quality Home Care Authority Funding - The Governor recommends eliminating funding related to the Wisconsin Quality Home Care</p>		

Authority to reflect the elimination of the authority. - 500,000 in 2012 and 2013		
CENTERS FOR DEVELOPMENTALLY DISABLED		
(DHS Budget pg. 251) 29. The Governor recommends restoring expenditure authority and positions to the Southern Wisconsin Center for the Developmentally Disabled to reflect the number of community placements made during the 2009-11 biennium.	There are no savings realized here. Funds at Southern Center are increased in the Governor's budget based upon his reassessment of bed fees. No closing or downsizing proposed.	
DEPARTMENT OF PUBLIC INSTRUCTION BUDGET		
EDUCATION		
(DPI budget – p. 419-426) Special Education Categorical Aids (in terms of dollars) are not cut – but DPI's Fall, 2010 proposed increase which would have maintained the current reimbursement rate was not approved. Increases in high cost special education aid were also not approved. Item # 7 – Other Categorical Aid was eliminated - \$29 million in repealed programs include: alcohol and other drug abuse prevention and intervention; alternative education; children-at-risk; nursing services; and	Flat funding of special education categorical aids (especially in light of other major general education cuts) amounts to a cut for special education students (in terms of the state funding as a percentage of total special education costs). Other states have asked for a waiver of their IDEA Maintenance of Effort (MOE) – which WI has not yet done. 7. Concerns about specific impact on school nursing services for children with complex medical needs; impact on students with mental illness.	

<p>supplemental aid.</p> <p>Item #4 There is an \$800 million cut in general school aids.</p> <p>5. 5.5% reduction in the cap on school districts regarding the level of local taxes they can raise. This means local school districts will have a reduced ability to raise local funds by an average of about \$500/child.</p> <p>Item # 8 – \$40 million increase in choice charter and open enrollment options. Income eligibility requirements are repealed.</p>	<p>4. Schools have been flat-lined in funding before, but they have never been cut to this degree. The Governor believes that by eliminating collective bargaining, local school districts will be able to absorb cuts without eliminating essential education services. There is a question about whether savings from contract changes will be actualized in year one based upon the length of existing contracts.</p> <p>5. Reducing the revenue cap, coupled with a huge loss in state aid will: 1) impact regular education programs by increased class size and reduced course selections, making inclusive opportunities more challenging and limited for students with disabilities; and 2) force school districts to either limit their local spending on special education or blame special education for even deeper cuts in regular education..</p> <p>8. Students with disabilities typically do not benefit from open enrollment and charter school policies. The bill includes provisions which require discussion of student’s IEP and projected costs before a transfer is approved (and can be denied for high cost). Investments in choice/charter options which are now intended to benefit upper/middle income families in light of overall public education funding reductions will likely have a detrimental effect on lower income students and particularly those with disabilities.</p>	
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DEPARTMENT OF CHILDREN AND FAMILIES BUDGET		
EARLY CARE AND EDUCATION		
<p>Wisconsin Shares Child Care Subsidy Program helps low-income working families afford child care. The Governor's budget would dramatically reduce funding for this program by over \$112 million in each year of the biennium. The cuts would be achieved by: implementing a waiting list, increasing copayments, tightening eligibility, and adjusting payment rates to child care providers.</p> <p>YoungStar is a program begun in 2010 to help child care programs improve their quality and to provide ratings on a 5-star scale. The Governor's budget would implement the tiered reimbursement system, but with significant changes that will make the program more punitive and less incentive-oriented.</p> <p>The 4K <u>start-up grants</u> took at 10% cut, and are funded at \$1,350,000 in each year of the biennium. Four-year-old kindergartens across the state are likely to be affected by the big cuts in general school aids.</p> <p>The state funding that supplements federal Head Start in Wisconsin would continue, but with a 10% cut, resulting in \$6.26 m. per year.</p>	<p>This is a change from the design of the original tiered reimbursement, which would not have cut any rates and would have provided higher increases for higher ratings. Use of co-payments amounts to a reduction to providers since they are often not collected.</p> <p>There are no specific cuts to <u>existing</u> 4K programs.</p>	

<p>State funding for home visiting which provides support to at risk families with new children would continue at \$985,700 in the Governor's budget.</p> <p>\$20/person/month cut in maximum W-2 payment.</p>	<p>This funding is needed to leverage federal home visiting funds, by meeting state maintenance of effort requirements.</p>	
DEPARTMENT OF CORRECTIONS BUDGET		
CORRECTIONS		
<p># 132 Reduces Youth Aids by 10%.</p> <p># 133 Repeals progressive sentencing changes from last session.</p> <p># 134 Closing Ethan Allen and Southern Oaks and relocating remaining youth to other facilities.</p>	<p>This will put an additional squeeze on counties to cover costs formerly covered by the state.</p> <p>Savings opportunities are missed. Inmates with disabilities and mental illness benefit from many of these changes. A person will no longer be able to petition the Earned release commission for early release based on their age or extraordinary medical needs</p> <p>The closing of Ethan was rumored for a long time. Enrollments have significantly declined. Many of the children who remain in the system will, however, be further away from their families, (particular concern for Milwaukee area children) as the remaining facilities for both boys (Lincoln Hills School) and girls (Copper Lake) are in Irma.</p> <p>Some DOC administration treatment staff had hoped to maintain those FTE's and reassign to other facilities – most to adult facilities. However, 284 FTE's are lost each year – that likely would include</p>	

<p>New daily rates for Lincoln Hills and Copper Lake are included.</p> <p># 135 Full funding of non salary costs for adult female mental health, adult female Wisconsin Resource Center and sex offender supervision approved in 2009 Wisconsin Act 28; full funding of non salary costs for operating while intoxicated and Becky Young Community Corrections approved in a March 2010 s. 13.10 request; and ongoing rent costs.</p> <p># 128. Governor recommends an increased goal from 4,746 inmates to 7,082 inmates for programs: Cognitive Group Interventions, Anger Management, Domestic Violence, Alcohol and Drug Abuse Treatment and Sex Offender Treatment</p> <p># 138 The Mental Illness and Chemical Abuse (M.I.C.A.) Program positions are eliminated at the</p>	<p>treatment staff. Unfortunately no increase in wraparound services is being recommended.</p> <p>Don't know how they compare to old rates. If they reduce rate because of consolidation, counties will like that.</p> <p>This is good. The funding assists individuals to be successful in the community by targeting funding for, employment services, transitional living beds, cognitive intervention programming for persons nearing release, transition services funding, AODA relapse treatment, jail recidivism programs. Importantly for the clients we serve, the funding provides treatment services for offenders with serious mental illness. The components of this treatment include: Conditional release programming for offenders with serious mental illness at Taycheedah and the Wisconsin Resource Center; Benefit specialist assistance for applications for SSI, SSDI and other government benefit program.</p> <p>Is this simply a reestimate based on the actual number 6449 from 2010 or a change in the plan?</p> <p>Advocates supported the DOC's budget request to have 6.50 GPR FTE in FY 12 and FY13 to replace</p>	
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Oshkosh prison.	the PR positions for the Mental Illness and Chemical Abuse (MICA) program, which is currently funded through reallocated base GPR funds. This funding is necessary, as prior funding under the Residential Substance Abuse Treatment for State Prisoners Formula Grant Program is no longer available. The MICA Program is for individuals with dual diagnoses. It is an effective program, as shown by an evaluation undertaken by the UW Population Health Institute, indicating that MICA graduates show significant improvement in psychiatric symptoms and treatment readiness from admission to exit, as well as decreased recidivism.	
DEPARTMENT OF WORKFORCE DEVELOPMENT BUDGET		
The Governor is reducing DVR by \$583,700 from adjusted base the first year and freezing the appropriation the second year.	This is \$3.6 million less than DVR's original budget request which might have been requested to draw down the maximum federal match. It is possible the Administration thinks the federal funds will not be available so they didn't appropriate GPR match. We are trying to find out if this will result in a decline in services.	
DEPARTMENT OF TRANSPORTATION BUDGET		
10% cut to counties and municipalities in funding for public transit 2012.	Transit systems are already operating on the brink, with continual service cuts and fare increases over the past decade. MKE County executive says a	

<p>Public transportation removed from the segregated fund to the general fund.</p> <p>Regional Transit Authority will be eliminated.</p> <p>Locks in current property tax levels.</p> <p>Not clear on the status of the 85.21 the Specialized Transportation Program.</p> <p>Increase in funding for highways.</p>	<p>reduction in paratransit services would remove transit access for individuals with disabilities in Milwaukee County's southern suburbs and north shore communities</p> <p>Transit must now compete for funds in a smaller general fund.</p> <p>This will negatively impact people with disabilities, especially in rural areas which need a multi-county approach to pool enough reserves to create a viable transit system.</p> <p>Hands down an 8.8% cut in shared revenue to local governments that puts even more pressure on the property tax levy as a funding source for transit. Many services that local governments provide are mandated, while transit is not.</p> <p>We assume this means no change in funding, but we are inquiring about it.</p> <p>While the budget significantly decreases support for public education and other services for people with disabilities, it allocates an additional \$350 million for roads.</p>	
OFFICE OF THE COMMISSIONER OF		

INSURANCE BUDGET		
No important disability-related items.		

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