



Wisconsin Personal Services Association, Inc.

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2017-18 WPSA LEGISLATIVE PRIORITIES

1. Increase for Medicaid Personal Care (MAPC) Fee-For Service Rates

- A. The WPSA 2012 Wage and Benefit Survey reports that most home care provider MAPC service costs are at least 15% to 20% above the current reimbursement rate of \$16.08 per hour. The MAPC rate has only increased by \$0.24 over the past 14 years, and there have been no rate increases since July 1, 2008. A MAPC rate increase, and regular rate increases, are necessary in order for providers to pay direct care workers adequate wages and benefits, to recruit and retain workers, to provide the training needed to ensure quality personal care/supportive home care services and to keep up with the increased cost of doing business. WPSA is aware of at least 15 personal care agencies that have closed or downsized in the past several years due to inadequate rates, and 31% of WPSA agencies surveyed in 2016 said they are currently considering closing or downsizing.
- B. Careful and thoughtful consideration needs to be given to the direct care workforce crisis currently impacting almost all providers of long-term care services. Over 93% of WPSA members surveyed say it is difficult to fill job openings for personal care workers. Some WPSA businesses have experienced employee turnover as high as 67%. An adequate workforce needs to be available in order for the long-term care system to meet the needs of consumers.

2. Cut the Red Tape

- A. Wisconsin is overregulating personal care agencies. New policies are continually added to the online personal care handbook, many of which are contrary to state statutes and administrative rules, and agencies are asked to pay back significant sums of money to the state due to minor clerical errors. Two Wisconsin Circuit Courts have ruled that DHS OIG's recoupment practices exceed its statutory authority. Recovery efforts should be limited to instances where care was not provided or when a provider claims an inappropriate amount for the service provided.
- B. A DHS proposal would require all individual personal care workers in Wisconsin to enroll in the state's Forward Health portal and receive individual ID numbers. Personal Care agencies would then be required to include each worker's ID number on all claims submitted to the state. This is a significant HR burden for agencies since they will need to ensure that their workers are enrolled or help workers without internet access at home enroll at the agency. The potential billing change will also have a large financial impact on agencies as it will require them to update billing software and submit individual claims for each worker—where agencies once had one claim entry per day for each client, they could now have 3-4 entries per day. There is no federal requirement to implement this proposal and no evidence that the type of fraud this policy seeks to prevent is occurring.
- C. DHS recently received approval to draft a major update to the administrative rules regarding personal care provider agencies that will result in additional regulations and increase operating costs. WPSA believes that DHS should create an advisory council that includes provider agencies to offer feedback on the forthcoming revisions.
- D. 75% of WPSA members surveyed receive more than half of their revenue from Medicaid funding. While WPSA recognizes the importance of providing affordable health insurance to direct care workers, unfortunately, Medicaid reimbursement rates do not cover the costs of offering health insurance. Members are concerned that they will be forced out of business due to their inability to absorb the costs of providing employer-sponsored health insurance.

3. Family Care and IRIS

- A. Capitated rates in Family Care must be sufficient to support current services, expand services to the people on wait lists, cover provider administration, and pay adequate salaries and benefits to the long-term care workforce.
- B. Personal Care Providers must be part of all network development efforts statewide. The “any willing provider” provision must remain in place. Any potential reforms to Family Care/IRIS must include robust stakeholder input.

4. Concerns Regarding Independent Assessment for Personal Care

- A. WPSA is concerned about the projected \$27 million cut to personal care services and increased costs to the state resulting from contracting with a third-party vendor for personal care assessments. Any savings produced by the independent assessment should be re-invested into the personal care program to fund rate increases and training programs.
- B. The legislature and DHS should establish qualifications for the individuals providing the independent assessments, ensure that assessments are completed in a timely manner and that personal care providers can easily communicate with the vendor regarding changes in a person’s condition or care plan, and monitor the administrative costs of the third-party vendor. There should be a clear appeals process for consumers to use if they believe the service authorization does not reflect their needs.

5. Help the Working Poor and Put Money Back into the System by Expanding Badger Care

- A. Many direct care workers are dependent on Badger Care for health care insurance because low reimbursement rates do not allow providers to offer affordable coverage. The Paraprofessional Healthcare Institute (PHI) estimates that 36% of Wisconsin’s direct care workforce relies on Medicaid for health insurance coverage.
- B. Accept federal funds to expand Medicaid to cover individuals with incomes up to 133% of the Federal Poverty Level. The Legislative Fiscal Bureau estimates that Medicaid expansion would cover an additional 83,000 people and save the state \$1 billion over the next six years.

6. Quality Training Programs for Direct Care Workers, Dementia Care Standards

- A. Demand for personal care workers is set to increase by 28% between now and 2024, according to Wisconsin’s WORKnet database. Comprehensive training programs are crucial to meeting the projected workforce need and guaranteeing quality care for consumers. WPSA supports additional funding for the Wisconsin Fast Forward Grant Program.
- B. WPSA has invested time and money in the development and implementation of a Direct Care Worker Competency Assessment and Training Program (DCC) and the WPSA Alzheimer’s/Dementia Training Program. WPSA supports continued endorsement and funding for this training by the Department of Health Services and the Department of Workforce Development.

For further information or questions, please contact:

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