

## **Wisconsin's Plan**

### **American Rescue Plan Act (ARPA) 10% Home and Community Based Services Enhanced Funding**

Over the past 20 years, the State of Wisconsin (the State) has been committed to expanding Medicaid Home and Community Based Services (HCBS) programs and services. In 2021, Wisconsin Medicaid achieved statewide implementation of our Family Care adult managed long-term care program and IRIS self-directed supports program. Adults in our state no longer need to wait to receive life affirming services that allow them to live as independently as possible. The State has also made significant progress in its goal to serve all children with disabilities who are eligible for and enroll in the Children's Long Term Support Program. Finally, in addition to 1915(c) waiver services, the State offers numerous home and community based services under the state plan including personal care, private duty nursing, home health, and rehabilitative services.

Wisconsin has developed our plan for the use of the ARPA 10% HCBS enhanced federal funds in a manner that demonstrates our commitment to enhance, expand, and strengthen HCBS under the Medicaid program through the projects described here. As they represent needed investments in the state's HCBS system, Wisconsin is committed to sustaining these enhancements beyond March 31, 2024.

Now that Wisconsin Medicaid's HCBS programs have reached a level of maturity in our statewide operations, the Department is gaining a better understanding of the steps necessary to ensure HCBS fiscal sustainability in the immediate as well as long-term.

Wisconsin has encountered workforce issues related to direct care workforce recruitment, retention, quality, and diversity. Ensuring the adequate supply of capable, well-trained direct care staff is a growing challenge both within and outside the Medicaid program. Wisconsin, like many states, is experiencing shortages and high turnover in its direct care workforce. This challenge results from Wisconsin's competitive labor market, a growing demand for long term care services due to a rapidly aging population, and simultaneously, a contracting workforce. There is broad agreement across stakeholder groups that increased investment in reimbursement rates and in strategies to support professionalizing Wisconsin's direct care workforce would strengthen HCBS in the Wisconsin Medicaid program and statewide.

Wisconsin also recognizes the need to explore strategies to help individuals remain healthy and independent, delaying the time at which individuals need to enter the long term care system. These services could include home modification to allow individuals to remain in their home and additional support and training for informal and family caregivers so that they can provide better care and to cope with the stress of being a caregiver.

We remain committed to ensuring that everyone who lives in Wisconsin who are in need of long term care services are able to access that system easily and equitably. To that end, we are proposing to invest with our tribal nation partners to redesign long term care in a manner to provide care in the manner that suits the needs of each of Wisconsin's eleven federally-recognized tribes. We also want to develop new ways for Wisconsinites in need of services to access the information they need to make informed decisions about how best to live as independently as possible. To accomplish this goal, we are proposing additional investments in our tribal aging and disability resource services, in the development of a virtual resource center for families with children with special needs, and increases in the ways that individuals and families obtain information and receive needed guidance on how best to proceed to meet their long term care needs.

## **Stakeholder Engagement**

After the CMS guidance was released, DHS immediately engaged in extensive stakeholder outreach to solicit input on how the enhanced funding should be reinvested to enhance and strengthen the Medicaid HCBS program. Stakeholders were invited to a series of virtual information sessions, including publicly noticed sessions focused on health equity, in which an overview of the ARPA 10% Enhanced Federal Matching Percentage for HCBS was provided. At each session, the Department also discussed the CMS guidance for the utilization of ARPA funds. At least half of each 90-minute information session was dedicated to collecting suggestions from stakeholders and answering questions. The Department framed discussions by focusing in on four key HCBS issue areas: Workforce, the Care Continuum, Policy and Program Improvement, and Fiscal Stability. Organizations and groups participating in the stakeholder engagement process included:

- The Governor's Health Equity Council
- The Wisconsin Long Term Care Advisory Council
- Children's Long Term Support Council
- Advocacy Organizations
- Medicaid Managed Care Organizations and IRIS Consulting Agencies
- HCBS providers
- Healthcare providers
- Direct support provider organizations
- HCBS program participants, including assisted living residents
- Family and informal caregivers
- Counties

Stakeholders offered a broad range of suggestions across all topic areas, ranging from major systemic changes to more targeted program improvement projects. Some ideas cross two or more topic areas. It should be noted that DHS will be gathering tribal feedback at the July 14, 2021 Tribal Health Director's meeting.

Wisconsin's ARPA HCBS plan development was also informed by the work of the recently-concluded Governor's Task Force on Caregiving which recommended additional investment. The Governor's Taskforce on Caregiving was established in February 2019 by Executive Order #11. The taskforce was created to develop recommendations to support and strengthen the direct care workforce, both paid and unpaid, increase access to care, and improve the quality of caregiving in Wisconsin.

DHS is committed to using the funds to advance a clear emphasis on ensuring all people in Wisconsin have access to Medicaid home and community based service by addressing equity and health disparities within the HCBS system. In addition to working with the Governor's Health Equity Council, DHS is committed to tapping into expertise of community based organizations advocating on behalf of and servicing Black Indigenous and People of Color (BIPOC), people with varying abilities, people living in extremely rural areas and other historically underserved and disadvantaged communities. In addition, Wisconsin is engaging in individual conversations with each of the eleven federally recognized tribes to identify ways to enhance HCBS services for tribal members. This plan will be amended as those specific projects are identified.

## **Overview of Plan**

Consistent with stakeholder input and the goals outlined above, we have identified six areas in which to invest the ARPA HCBS funding to support sustainable delivery model transformation. Those areas are:

- Medicaid HCBS Workforce, Provider Capacity, and Fiscal Stability
- Promoting Quality and Innovation Resources
- Tribal Long Term Care Systems
- Independent Living and Family/Informal Caregiver Resources
- Access to HCBS Information and Services
- Assisted Living Information, Analysis, and Quality Oversight

Stakeholder input on initiatives to enhance, expand, and strengthen Wisconsin's HCBS system under the Medicaid program was wide ranging; however, there were a number of common themes raised across stakeholder groups that also resonate with areas for improvement long identified by the Department's Division of Medicaid Services (DMS). Recommended spending plan interventions that address both stakeholder and DMS priorities for Medicaid HCBS are detailed in the sections below.

### **Medicaid HCBS Workforce, Provider Capacity, and Fiscal Stability**

Wisconsin proposes a three-part approach to reinvestment of ARPA HCBS funds to ensure HCBS has the workforce and provider capacity necessary to sustain and improve our HCBS programs. Our plan is to:

1. Increase rates for all HCBS services by 5% in CY22, which would address the immediate need for increased funding across all service areas. Stakeholders identified additional resources for providers as critical for sustaining the system now and into the future.
2. Reinvest a portion of the funds via a contract with an actuarial firm to develop a rate schedule for Medicaid long term care providers along with subsequent one-time funding over the two-year period of FY23 and FY24 that would allow us to smooth the implementation of the new provider rate schedule.
3. Fund initial implementation of a direct care service career ladder rate structure, in the form of tiered payment rates for personal care and supportive home care workers, discussed below.

Wisconsin proposes to reinvest a portion of the ARPA HCBS enhanced funding to develop professional career ladders for personal care workers and supportive home care workers. The purpose of this initiative is to expand opportunities for professional advancement in the field of direct care through a statewide professional credentialing and continuing education system, which also recognizes tenure and expertise among existing members of the direct care workforce. The career ladder initiative will be implemented in a way to recognize the professional skills of direct support workers while also maintaining Wisconsin's commitment to self-direction.

Career ladder development will be informed by the development and implementation in SFY22 of a Staff Stability Survey that would assess the HCBS workforce across Wisconsin. This survey will provide important information statewide on factors such as direct care workforce participation (both full-time and part-time),

turnover, worker tenure, wages, benefits, and existing agency recruitment/retention strategies. Many other states have used survey results to identify direct care workforce needs and inform workforce development, quality improvement, and stability efforts.

Another component of this initiative is the development of a professional statewide registry for direct care workers, which will incorporate data on professional credentialing and specialty education and experience. The registry is of particular importance to stakeholders supporting individuals with disabilities in need of HCBS who live independently in the community, such as IRIS participants, who often struggle to identify qualified direct care support professionals to meet their caregiving needs.

### **Promoting Quality and Innovation Resources**

Our stakeholders also identified the need to develop our professional training and provide additional technical assistance resources. Investment in this area would support implementation of professional career ladders and help stabilize and advance the quality of Wisconsin's direct care workforce. Wisconsin proposes to reinvest ARPA HCBS enhanced funding to implement statewide training modules and offer grant funding opportunities for providers to invest in workforce training, including development and implement specialized direct care worker and manager training programs. Focus areas for training programs developed under this initiative include:

- Best Practices in Direct Care
- Supportive Home Care Skills
- Personal Care 1 and Personal Care 2
- Direct Support Professional Manager
- Equity and Diversity for Direct Care Workers
- Equity and Diversity for Managers
- Case Management, Assessment, and Person-Centered Planning
- Training for Supported Employment Providers
- Direct Care Skills for Special Populations (Some focus areas include: Dementia, Autism Spectrum Disorder, Individuals with Complex Behaviors)
- Housing Resources
- Crisis Prevention and De-escalation
- Volunteer management systems and supports

Funding may also be reinvested as grant funds to support providers and programs transition to a model that supports individual with intellectual, developmental, and other significant disabilities find and retain work in competitive integrated employment.

### **Tribal Long Term Care Systems**

Wisconsin proposes to devote a portion of ARPA HCBS funds to work in partnership with Wisconsin Tribes to reinvest a portion of the ARPA HCBS funding to further develop Tribal long term care systems that address their unique cultural and policy needs of these nations. Wisconsin is in the process of surveying all eleven federally-recognized tribes to determine their needs and wants as it relates to the provision of long term care services to tribal members. The additional funding will allow us to continue our engagement with Tribes to

identify funding opportunities to develop Tribal long term care systems and strengthen Tribal aging and disability services and supports.

Additionally, Wisconsin proposes to increase the funding for tribal Aging and Disability Resource Services to an amount that is commensurate with the necessary knowledge and experience to do this work effectively.

### **Independent Living and Family/Informal Caregiver Resources**

Many of our stakeholders expressed support for a state-funded program to offer short term, flexible, limited services and supports for individuals who are not currently Medicaid eligible and/or to Medicaid members who are not yet long term care consumers. The idea is to offer some limited supports – such as home modifications, or small amounts of supportive home care or respite care – to support individuals’ ability to remain in their own homes and potentially help manage growth in the need for Medicaid long term care services as the population ages.

Wisconsin proposes to reinvest ARPA HCBS funding to pilot a two-year Independent Living and Caregiver Support program offering capped annual reimbursement for intermittent and one-time services and supports for qualifying individuals and informal caregivers. As part of this pilot, we propose to contract for the development of an individual and a caregiver needs assessment, to gain a better understanding of the needs of the pre-Medicaid population and those who provide care for them in the community. In addition, we are proposing to contract for pilot program evaluation study to help inform the State’s development of future interventions, based on evidence demonstrating best practices for achieving longer-term independence and continuing engagement of informal caregiving resources.

As a complement to short-term financial assistance, Wisconsin seeks authority [or authorization?] under this plan to reinvest ARPA HCBS funds to develop training resources for family and informal caregivers to equip them with skills and knowledge on how best to provide care, as well as how to manage the additional stress that comes with providing that care.

### **Access to HCBS Information and Services**

Access to timely HCBS information and services for both adults and children is a concern expressed by many stakeholder groups, and has also been identified as a challenge by the State. In particular, connecting individuals and families with HCBS resources early may help avoid the need for more intensive and costly interventions and services later on.

Wisconsin proposes to reinvest ARPA HCBS funding to strengthen the state’s system of Aging and Disability Resource Centers (ADRCs) to support Medicaid outreach and enrollment and non-Medicaid HCBS outreach, education, resources, and referrals. Many stakeholders identified the need to increase the visibility of ADRCs across the state as resources for individuals, families, and community members to get information and access to services locally. In addition, the established ADRC system should be leveraged to improve our ability to identify and address needs of diverse populations and focus resources on the needs of special populations local to an ADRC’s service area.

We propose to reinvest ARPA HCBS to modernize the ADRC service delivery model, including development of a virtual access portal for Medicaid long term care members to manage certain routine aspects of their program benefits, which would allow ADRCs to advance other goals identified for implementation. Wisconsin will also consider investing in implementation of a statewide outreach campaign to increase visibility of ADRC resources.

In addition, for many years, families of children with disabilities and other stakeholders have identified the need for no-wrong-door services in the form of statewide Family Resource Centers for Children with Disabilities. Wisconsin has encountered barriers in the development a financially feasible brick-and-mortar Resource Center model for children akin to ADRCs for adults with disabilities, due to the smaller population of children with disabilities. There is strong stakeholder support for development of a virtual Family Resource Center for Children with Disabilities to act as a no-wrong-door for information, self-assessment, resources, and referrals. In addition, there is continued interest in developing a Children's Services Navigator and Ombudsman program to provide follow up supports to families reaching out for services through the Resource Center, as necessary. These additional services will help the State connect the dots for families of children with disabilities in terms of resources available through county governments, school districts, health care providers, the State Medicaid program, and other local entities.

### **Assisted Living Information, Analysis, and Quality Oversight**

In discussing the ARPA HCBS opportunity with our many stakeholder groups, we have also identified the need to improve available information on assisted living resources statewide. Expectations about the current and near term growth in Wisconsin's aging population and the need for long term care services allow for a brief window of time to improve our overall understanding of assisted living resources statewide. We are proposing the reinvestment of ARPA HCBS funds to pilot an assisted living information reporting tool, to collect information about our facilities and their residents, which can be used to inform facility certification e-renewals and assess the capacity of these facilities to serve Wisconsinites in the future. Additionally, Wisconsin requests using the funds for the development of a member assessment that could be used to better understand the acuity and needs of individuals in the HCBS system, both in assisted living and in the community

Stakeholders expressed interest in strengthening 1-2 bed adult family home certification standards. Wisconsin proposes to reinvest ARPA HCBS funds to explore ways to improve quality oversight for these facilities statewide.

Finally, ensuring health and safety of children and adults utilizing HCBS services is of critical importance. Stakeholders expressed interest in improving coordination between state provider licensing, medical services, child protective services and adult protective services. Wisconsin proposes to reinvest ARPA HCBS funds to explore strategies to bring information from these various systems together to strengthen protections for vulnerable adults and children.

## Spending

The following table contains estimates for the total amount of funds attributable to the increase in FMAP that Wisconsin anticipates claiming between April 1, 2021 and March 31, 2022. These estimates are based on projected expenditures for 1915b and 1915c waiver services for adults and children and home health, private duty nursing, and personal care state plan benefits. Wisconsin's claiming may increase as further qualifying expenditures are identified and verified, based on additional guidance from CMS regarding the applicability of the increased FMAP to rehabilitative and other services. The spending plan will be amended in the future to include these eligible expenditures.

| <b>Estimated Amount of Funds Attributable to the Increase in FMAP</b> | Q3 FFY 2021    | Q4 FFY 2021    | Q1 FFY 2022    | Q2 FFY 2022    | Total Q3 FY 2021 – Q2 FFY2022 |
|---|----------------|----------------|----------------|----------------|-------------------------------|
| Total Computable  | \$ 883,111,389 | \$ 883,111,389 | \$ 883,111,389 | \$ 883,111,389 | \$ 3,532,445,555              |
| State share   | \$ 215,744,112 | \$ 215,744,112 | \$ 211,240,244 | \$ 265,993,150 | \$ 908,721,619                |
| Federal share   | \$ 667,367,276 | \$ 667,367,276 | \$ 671,871,145 | \$ 617,118,238 | \$ 2,623,723,936              |
| Funds attributable to HCBS FMAP increase                              | \$ 88,311,139  | \$ 88,311,139  | \$ 88,311,139  | \$ 88,311,139  | \$ 353,244,555                |

The following table summarizes Wisconsin's initial spending plan for the three-year reinvestment period.

| <b>Initial Spending Plan</b>  | Total Q3 FFY 2021-Q2 FFY2022 | Total Q3 FFY 2022-Q2 FFY2023 | Total Q3 FFY 2023-Q2 FFY2024 | Total Q3 FFY 2021-Q2 FFY2024 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| <i>Medicaid-Covered HCBS Reinvestments</i>                                    |                              |                              |                              |                              |
| Total Computable*   | \$ 39,672,500                | \$ 249,338,800               | \$ 285,774,774               | \$ 574,786,074               |
| State share   | \$ 14,163,760                | \$ 98,227,252                | \$ 114,899,445               | \$ 227,290,457               |
| Federal share   | \$ 25,507,678                | \$ 151,111,548               | \$ 170,875,329               | \$ 347,494,555               |
| Funds attributable to HCBS FMAP increase                                      | \$ 3,756,000                 | \$ 0                         | \$ 0                         | \$ 3,756,000                 |
| <i>Non-Medicaid Expenditures to Enhance, Expand, Strengthen Medicaid HCBS</i> |                              |                              |                              |                              |
| State Expenditures  | \$ 5,490,598                 | \$ 60,981,750                | \$ 59,481,750                | \$ 125,954,098               |
| Total Reinvestment  |                              |                              |                              | \$ 353,244,555               |

