Re: Proposed Acquisitions of Inclusa by Humana, Inc. and My Choice Wisconsin by Molina Health Care, Inc.

The Greater Wisconsin Agency on Aging Resources, Inc. (GWAAR) thanks the Wisconsin Department of Health Services (DHS) for providing two online public forums last month and an opportunity to provide written feedback on the two proposed acquisitions. Feedback provided by stakeholders during the public forums and in other meetings with DHS staff demonstrated a high level of concern related to this significant transition in Wisconsin’s locally developed and administered long term care system.

The GWAAR is a nonprofit agency committed to supporting the successful delivery of aging programs and services in our service area consisting of seventy of the state’s seventy-two counties and all eleven tribes in Wisconsin. We are one of three Area Agencies on Aging in Wisconsin. Our mission is to deliver innovative support to lead aging agencies as we work together to promote, protect, and enhance the well-being of older people in Wisconsin.

According to the November 2022 Family Care Enrollment Report, adults aged 65 and older make-up forty-five percent of all Family Care, Family Care Partnership, and PACE enrollments. As advocates for older Wisconsinites, the GWAAR has remained actively involved in efforts to ensure Wisconsin’s publicly funded long-term care system remains focused on high-quality, long-term care for all who are eligible and in need of services. Family Care, Wisconsin’s nationally recognized long-term care waiver program, while not perfect, has enabled many more low-income older adults and people with disabilities to avoid residential care and remain in their own homes.

There has been a lot of discussion regarding how these Family Care MCO acquisitions are to occur and how the acquisitions by national for-profit insurers will impact the state’s long term care system and the people it serves. While questions regarding concerns such as the status of funds
after the sale of assets, use of profits, the location of decision-makers, impact on competition, affect on service authorizations, impact on providersprovider network, conflict-of-interest, and quality of person-centered services are valid; there has been very little discussion regarding why MCOs in Wisconsin are seeking out these opportunities and agreeing to the acquisitions. Are additional options needed to meet the needs of participants? Should the PACE program be further expanded to offer an additional option in more areas of the state? Are MCO capitation rates too low to sufficiently cover operating expenses and to provide the services members need? To ensure the continued success of Wisconsin’s publicly funded long-term care system, these questions need to be answered. Smaller not-for-profit organizations will find it increasingly difficult to continue in the long-term care arena if we fail to get to answers to these questions and force them to compete with larger, national organizations. Once all the locally grown MCOs are gone, participant choices may be limited, the state’s bargaining power will be diminished, and there will be no way to return to the system we once had if for-profit agencies find business in Wisconsin to be less profitable than expected.

Our experiences with some HMOs and NEMT vendors have shown us bigger isn’t always better. It is time to slow down and examine the root causes and forces driving this change. If we utilized the state’s Medicaid funding to reinvest in the state’s current long term care system, perhaps we would find it unnecessary to send these dollars out-of-state and could maintain greater state and local control over the care thousands of vulnerable Wisconsin residents receive from our publicly funded long-term care system.

Thank you again for this opportunity to provide feedback.

For additional information, please contact Janet Zander, Advocacy & Public Policy Coordinator at janet.zander@gwaar.org or (608) 228-7253.

Sincerely,

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