



WISCONSIN DEPARTMENT
of HEALTH SERVICES

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Administrator for Benefits
and Service Delivery

Recap on May Meeting Discussion

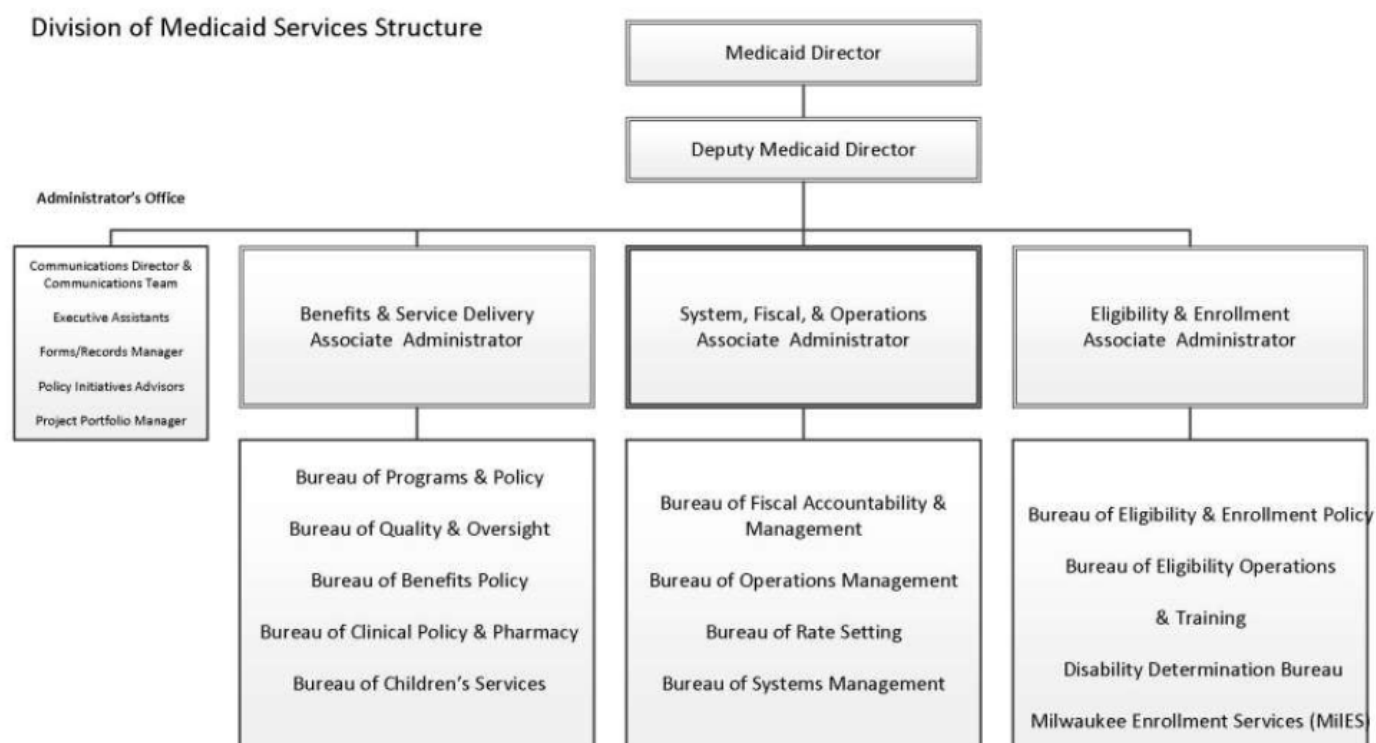
Recap of the Meeting

- Discussed meeting effectiveness
- Reviewed DMS organization structure
- Established a strategic plan for future meetings

Meeting Effectiveness

- Agreed on methods to improve meeting effectiveness
 - Follow meeting agenda
 - Stay on schedule
 - Be present and engaged
 - Avoid distractions such as side conversations

DMS Organizational Structure



Strategic Plan for Future Meetings

Topics for future meetings will fall into 3 categories:

- Program and policy changes
- Data and reports
- Feedback

IRIS Policy Review

- DMS will draft new or revise existing policy
- Policy will be sent to IRIS contractors and IRIS Advisory Committee
- DMS reviews feedback and shares back final version
- Ongoing evaluation---IRIS contractors and IAC members provide information on experience with new policy

Data and Reports

- Some data needs to be collected, standardized, and validated
- Currently available data on IRIS web page:
 - Enrollment by ICA/County
 - Participant enrollment totals by County
 - Enrollment in SDPC
 - Map of ICAs/FEAs by service region

Feedback

- Issues raised by members should not contain any personal information and should be made general enough to protect the individual's identity.
- If the feedback is on general program and policy, the work would be prioritized with other DHS work.
- There is no expectation that DHS respond to the issues raised during the meeting in which the issue is introduced.

2021 IRIS Advisory Committee (IAC) Membership

Advocates:

- Fil Clissa
Term Ends 12/31/2021
- Mitch Hagopian
Term Ends 12/31/2022
- Maureen Ryan
Term Ends 12/31/2023
- Kathi Miller
Term Ends 12/31/2023

Terms ending in 2021 and current vacancies are highlighted **yellow**.

Consumers:

- Dean Choate
Term Ends 12/31/2021
- Julie Burish
Term Ends 12/31/2021
- Martha Chambers
Term Ends 12/31/2022
- John Donnelly
Term Ends 12/31/2022
- Rosie Bartel
Term Ends 12/31/2023
- Vacant
- Vacant

Interested in being part of the IAC in 2022?
Submit a letter of interest by October 15, 2021
to Suzanne.Ziehr@dhs.wisconsin.gov

Providers:

- Angie Kiefer
Term Ends 12/31/2023
- Amy Weiss and Linda Bova
Term Ends 12/31/2023
- Vacant
- Vacant

Contractors:

(Representation rotates from each agency):

- ICA
- FEA
- SDPC



Department of Health Services



**Include, Respect, I Self-Direct (IRIS)
Individual Budget Allocation (IBA)**

Long Term Care Rate Setting Section
Bureau of Rate Setting
July 2021



What is the IBA?

- Individual Budget Allocation (IBA)
 - Guideline for when DHS will review a participant's budget
 - Participant's IBA is determined based on needs identified in the Long Term Care Functional Screen (LTCFS)
 - Participant may request a budget amendment if IBA is insufficient
- Budget
 - A participant's budget limits their spending
 - A participant's budget is developed based on their service plan
 - A participant's budget may be more or less than their IBA amount



What is the Long Term Care Functional Screen (LTCFS)?

- Tool used to determine a Medicaid member's eligibility for long term care services
- Collects information about an individual's functional status, health, and need for assistance
- DHS uses LTCFS data to estimate funding needs for both Family Care managed care organizations and IRIS participants



How is the LTCFS used to calculate an IBA?

- A statistical regression model is developed to predict how much funding a participant will need
- Using statistics, we compare the average spending for participants with and without a specific characteristic on the LTCFS
- We repeat the process for every characteristic on the LTCFS to create a table of the average additional spend for each characteristic



How is the LTCFS used to calculate an IBA? (Cont.)

- Using statistics we can also limit our model to only those characteristics from the LTCFS that accurately predict a participant's spending
- We can then estimate the average spending for a person with a specific set of characteristics on the LTCFS by adding up the average additional spending for each characteristic



Population-specific Models

- Separate regression models are created for:
 - Individuals with intellectual and developmental disabilities
 - Individuals with physical disabilities, and
 - Frail elders
- Participants' spending is more similar within these groups than across these groups
 - Calculating separate models for each group results in more accurate estimates of participant spending



Example LTCFS Model

LTCFS Characteristics	Additional Spending
Baseline	\$100
Needs Assistance with Money Management	\$300
Needs Assistance with Toileting	\$500



Applying Example LTCFS Model

Participant	Characteristics	LTCFS Estimate
John	Baseline (\$100)	\$100
Fred	Money Management (\$300) + Baseline (\$100)	\$400
Gary	Toileting (\$500) + Baseline (\$100)	\$600
Jane	Money Management (\$300) + Toileting (\$500) + Baseline (\$100)	\$900



Budget Adjustment Factors

- The LTCFS model estimates the average spending for a participant with a specific set of characteristics
- We know that half of the participants will spend more than the LTCFS estimate and half will spend less
- We use budget adjustment factors to increase our spending estimate so that the final estimate is sufficient for more participants



Budget Adjustment Factors (Cont.)

- The current IBA uses budget adjustment factors to calculate final spending estimates that should be sufficient for 90% of participants to have 80% of their actual costs covered
- Each model has 6 budget adjustment factors
- The amount of each budget adjustment factor depends on the model and the participant's estimated spending



Example Budget Adjustment Factors

LTCFS Estimate Range	Adjustment Factor
\$0-\$200	120%
\$201-\$499	130%
\$500-\$1000	150%



Applying Example Budget Adjustment Factors (BAFs)

Participant	Characteristics	LTCFS Estimate	BAF	Model with BAF (Estimate x BAF)
John	Baseline (\$100)	\$100	120%	\$120
Fred	Money Management (\$300) + Baseline (\$100)	\$400	130%	\$520
Gary	Toileting (\$500) + Baseline (\$100)	\$600	150%	\$900
Jane	Money Management (\$300) + Toileting (\$500) + Baseline (\$100)	\$900	150%	\$1,350



Regional Adjustment Factors

- The last step in the IBA calculation is to apply regional adjustment factors
- The participant's estimated spending from the LTCFS is a statewide average, but each region of the state has different labor and property costs
- DHS applies regional adjustments to reflect that some regions are more expensive than the statewide average and some are less expensive



Example Regional Adjustment Factors

Region	Adjustment Factor
Green Bay	1.1
La Crosse	0.9
Milwaukee	1.3
Madison	1.2



Applying Example Regional Adjustment Factors

Participant	Model with BAF	Participant Location	Regional Adjustment	Final IBA (Model with BAF x Regional)
John	\$120	Green Bay	1.1	\$132
Fred	\$520	La Crosse	0.9	\$468
Gary	\$900	Milwaukee	1.3	\$1,170
Jane	\$1,350	Madison	1.2	\$1,620



Budget Amendments

- A participant works with their ICA to identify their needs and the potential cost of the services to meet those needs
- This determines a participant's budget
- If a participant's budget is more than their IBA, the participant needs to submit a budget amendment request for DHS review



Why Does the IBA Need to be Updated?

- The IBA model was last updated in 2015 and implemented in December 2016
- An updated model will more accurately account for a participant's costs
 - The updated model will reflect more current participant service plans and reimbursement rates to providers



Questions?

- Please send questions to the Bureau of Rate Setting inbox at:
DHSDMSBRS@dhs.wisconsin.gov