



MILWAUKEE COUNTY

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DATE: March 25, 2013

TO: Ms. Marina Dimitrijevic, Chairwoman
Milwaukee County Board of Supervisors

FROM: Roy L. Williams, Principal Assistant Corporation Counsel

SUBJECT: Independent Journeys, Inc. v. Milwaukee County
Case No. 10CV019296

I request that this matter be referred to the Committee on Judiciary, Safety and General Services for approval of a settlement.

This case involves a lawsuit filed by Independent Journeys, Inc., which provided supportive home care services for a client whose initials are G.H. G.H. is a disabled individual who was eligible for services under a Medicaid waiver program administered locally by the Milwaukee County Department of Health and Human Services. The Wisconsin Department of Health and Family Services (now Health Services) approved a rate of \$615.47 per day for services. When G.H. reached the age of 60 in November of 2008, he applied for and was found eligible for Family Care. Family Care determined that his needs did not require the level of services previously provided by DHHS. Family Care declined to pay \$615.47 per day to care for G.H., but set the reimbursement for services at a lower rate of \$170.66. Family Care paid this rate from February 2009 through July 2009. Ultimately, G.H. dis-enrolled from Family Care.

In this lawsuit, Independent Journeys alleged G.H. required the higher level of services and sought the difference between the amount previously paid by DHHS (\$615.47) for the care of G.H. and the amount Milwaukee County Family Care paid (\$170.66). The difference in rates resulted in a potential total claim against Milwaukee County for \$80,065.80. In addition to the dispute over the appropriate level of services for G.H., defense of the suit was made difficult by the fact that a key witness for Milwaukee County retired prior to trial and moved out of state. We were unable to obtain his cooperation. In light of the risks of losing at trial, which would potentially result in a judgment for the full amount of the claim, plus attorney's fees and costs, and the difficulty with the key witness, a compromise was reached. Independent Journeys agrees to accept \$34,000 in order to resolve the case. Payment will be made from Family Care funds and has no tax levy impact.

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The Wisconsin County Mutual Insurance Company is aware of the settlement and agrees with it. Further, the Office of Corporation Counsel agrees with this settlement. If approved, payment will be made by Family Care to Independent Journeys in return for a dismissal of the suit and a release of all claims related to this matter.


RLW/rf

cc: Janelle Jensen, Committee Clerk
Amber Moreen, County Executive's Office
Kelly Bablitch, County Board Chief of Staff
Jennifer Collins, Research Analyst
Maria Ledger, Family Care