

# Asset Purchase Public Forum



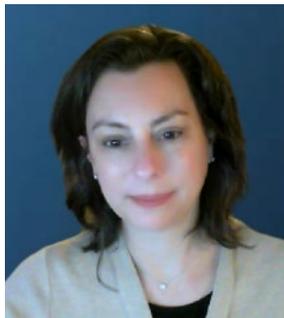
December 14 & 15, 2022

# Presenters



**Curtis Cunningham**

Assistant Administrator, Division of Medicaid Services



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Bureau Director, Division of Medicaid Services

# Volunteer Opportunities

- Long-Term Care Advisory Council: provides recommendations to the Department of Health Services on issues related long-term care Medicaid services
- IRIS Advisory Committee: provides recommendations to the Department of Health Services on the IRIS program
- Applications will go out in January 2023.
- If you are interested in applying for either of these groups, send an email to [shelly.glenn@dhs.wisconsin.gov](mailto:shelly.glenn@dhs.wisconsin.gov).

# Reason and Purpose for this Public Forum

**What is this public forum about?**

# Definitions & Acronyms

- Managed Care Organization (MCO)  
Manages long term care and other services for members of Wisconsin Family Care, Family Care Partnership and Program of All-Inclusive Care of the Elderly (PACE)
- Health Maintenance Organization (HMO)  
Manages health insurance plans for individuals in the BadgerCare Plus and Social Security Income (SSI) Medicaid programs
- IRIS (Include, Respect, I Self-Direct)  
Wisconsin's self-directed program for adults with disabilities and people who are older and need assistance
- Department of Health Services (DHS)

# Humana, Inc

Humana Inc., (Humana)  
plans to purchase the assets of Includa, Inc.

Humana is a DHS-certified MCO for Family Care Partnership and HMO for BadgerCare Plus and Social Security Income (SSI) Medicaid.

Includa is a DHS-certified MCO for Family Care.

# Molina Health Care

Molina Healthcare, Inc. (Molina) plans to purchase the assets of My Choice Wisconsin.

<p>Molina is a DHS-certified HMO for BadgerCare Plus and SSI Medicaid.</p>	<p>Molina owns TMG. TMG is a DHS-certified IRIS Consultant Agency</p>	<p>My Choice is a DHS-certified MCO for Family Care and Family Care Partnership. It is also an HMO for BadgerCare Plus and SSI Medicaid.</p>
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# What is happening?

- There are two separate proposals to purchase MCOs currently contracted to provide Family Care services.
- An acquisition means a company buys the assets of another company or non-profit.
- The purchasing company then owns the assets as part of their larger business.
- Both companies already own entities providing long term care services in Wisconsin.

# Numbers

Current Long Term Care Population Distribution by Plan				
My Choice	TMG	Inclusa	iCare	Other Plans
21%	22.2%	20.7%	1.8%	34.3%

Post Asset Purchase Long Term Care Population Distribution by Plan**		
Molina	Humana	Other Plans
43.2%	22.5%	34.3%

\* The numbers in these tables are estimated based on past enrollment distribution.

\*\* If entities are purchased

# Purpose of this Public Forum

- For you to tell the Department of Health Services (DHS) about what you think about these two purchases
- For you to share your ideas about how DHS might address the concerns you have about the purchases



# Role of the Department of Health Services

**How is DHS involved?**

# Family Care MCO Contract

- MCO must sign contract with DHS to provide services
- The contract is a legal document with requirements
  - Outlines model of care the MCO must use
  - Outlines the benefits the MCO must provide
  - Outlines the services the MCO must provide
- MCO must meet all contract requirements regardless of financial gain or loss

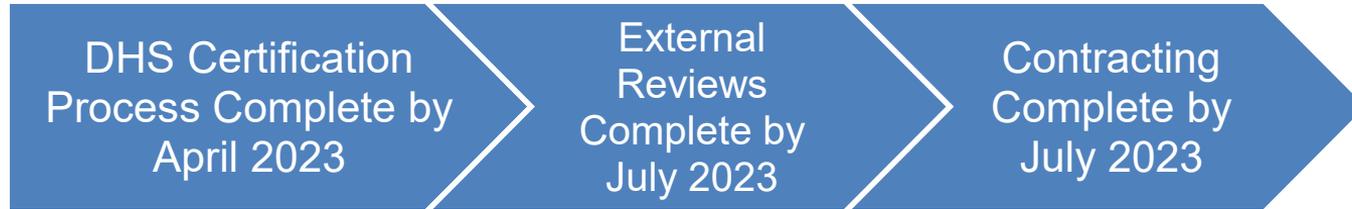
# DHS Oversight Responsibilities

- Ensure strong contracts that require quality services
- Track contractor work to ensure they are providing required, high-quality services to individuals
- Provide guidance to contractors, eg: create policies and guidelines and provide technical assistance
- Assess how contractors are doing
- Review business plans of contractors each year
- Work with contractors to resolve concerns

# DHS Certification of Humana and Molina

- Purpose
  - To review evidence that Molina and Humana can run Medicaid programs
  - To review evidence that Molina and Humana have plan for members to continue to get quality services
- Examples
  - Accessible customer service to help members
  - Adequate and well-trained staff to run company
  - Sufficient network of providers to meet member needs
  - Plans to communicate the asset purchases with members

# Anticipated Timeline



- The process may take less time or more time depending on how long the certification and external review processes take
- Timeline may be different for each company
- Other entities are also reviewing the asset purchase agreement.
  - State of Wisconsin Office of the Commissioner of Insurance
  - The US Federal Trade Commission and US Department of Justice

# Your ADRC is Always a Resource

Aging and Disability Resource Centers (ADRCs) are located at the county level across the state.

- ADRCs provide information on a variety of programs and services. That includes long-term care options.
- They will be a resource for information when the asset purchases are finalized.
- Find your ADRC at: <https://www.dhs.wisconsin.gov/adrc/index.htm>.

**Note:** ADRCs cannot answer questions about the purchases.

# Provide Feedback

**How can I give feedback in this public forum or after?**

# Ideas for Solutions

- Require at least one of the two MCOs in each geographic region is a not-for-profit entity
- Require national organizations have offices in Wisconsin
- Require firewall between lines of business



**Solutions for DHS to address your concerns**

# DHS Next Steps

- Organize verbal and written feedback
  - Concerns
  - Solutions
- Update FAQs on webpage
- Assess ideas
- Make final decisions on contracts for new entities

# Two Ways to Provide Feedback

- Verbal
  - Raise your hand in ZOOM
  
- Written
  - By 1/10/2023, preferred
  - Email: [dhsItccomments@dhs.Wisconsin.gov](mailto:dhsItccomments@dhs.Wisconsin.gov)
  - US Mail:

Acquisitions  
DHS/DMS/BPP  
1 West Wilson, Room 518  
Madison, WI 53701-0309



# How do I raise my hand in Zoom?

- Click on “Raise Hand” at the bottom of your screen.



- You can also “Lower Hand” if you no longer want to be in the queue.
- If you are calling in using your phone, press \*9

# Rules of the Road

- Each person will have 3 minutes to speak
  - 1 minute left = 
  - When your time is up = 
- We will go in order of when you raise your hand in ZOOM.
- Do not disclose personal health information about yourself or others.
- The event will not be recorded.

**Note:** DHS will not be responding to media questions during the online forums. Members of the media should direct their inquiries to:  
[DHSMedia@wi.gov](mailto:DHSMedia@wi.gov).

# Where can I find up-to-date information on this issue?

Stay connected by going to the DHS website at:  
[www.dhs.wisconsin.gov/Medicaid/mco-purchase.htm](http://www.dhs.wisconsin.gov/Medicaid/mco-purchase.htm).





# Thank you for attending!



**WISCONSIN DEPARTMENT**  
*of* **HEALTH SERVICES**

*Protecting and promoting the health  
and safety of the people of Wisconsin.*

# Verbal Testimony Reminders

- If I want to talk in this forum, what do I do?
  - Click on “Raise Hand” at the bottom of your screen 
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