MILWAUKEE COUNTY
DEPARTMENT OF HEALTH
& HUMAN SERVICES
AGING & DISABILITIES
SERVICES



January 4, 2023

Curtis Cunningham
Assistant Administrator for Benefits and Service Delivery
Division of Medicaid Services
Wisconsin Department of Health Services

Dear Assistant Administrator Cunningham:

We write on behalf of the Milwaukee County Aging and Disability Resource Center Governing Board and the older adults and persons with disabilities in Milwaukee County whom we represent to express our concern regarding the proposed acquisition of *My Choice* Family Care, a local Managed Care Organization (MCO), by Molina Healthcare based in California and Humana's purchase of Inclusa. More than 3,500 older adults from Milwaukee County are enrolled in *MyChoice* Family Care, constituting nearly half of all *MyChoice* participants. We question how this proposal can move forward seemingly without notice or legislative or regulatory oversight. We ask that you address our concerns.

Wisconsin developed a model publicly funded Long Term Care system after nearly 25 years of planning and implementation. During this time the emphasis has been on delivering high quality person-centered long-term care to all who needed such support to remain in the community and avoid long term institutionalization. Wisconsin became the first state to integrate all populations subject to a HCBS Medicaid Waiver – people with physical disabilities, intellectual and developmental disabilities, traumatic brain injury, and frail elders statewide – under one unified long term care program eliminating waiting lists for services. The managed care portion of this system, Family Care, evolved directly from county administered Medicaid waiver adult Long Term Care funding (CIP and COP). The first five MCOs were county administered entities. Once this system proved successful the MCOs were asked to expand their reach to become regional organizations, organized as non-profits administered separately from counties, while county ADRC's were charged with providing unbiased options counseling and conducting program qualifying functional screens for participants. Counties were, however, expected to provide maintenance of effort funding to support the long-term care system.  This history points to the fact that the "value" of the present MCOs was built up through goodwill and significant public investment that occurred over many years.

Indeed, the My Choice program has been evaluated and recognized to be a national model (Moore, O' Shaghnessy, & Sprague, 2007; Stein & Frazier, 2015; U.S. Department of Health and Human Services, 2003) for its responsiveness and efficiency. It is concerning that the current proposal has the potential to negatively impact the essence of this model program. We offer several questions for consideration:

1) If for-profit entities are allowed to acquire these organizations, how will public value be assessed and returned to the public for reinvestment in the well-being of our residents? What process will regulators pursue to ensure that for profit entities are not unjustly enriched by the acquisition of these unique publicly funded non-profit MCOs? Will regulators require a process of valuation and transfer of assets similar to the past demutualization of Blue Cross/ Blue Shield?

2) If a for profit insurance company based outside of Wisconsin acquires a Wisconsin based MCO, how will the State ensure that there is a continuity of managed Long Term Care services provided in the current MCO's service area and that Wisconsin values are preserved in the process? What happens if the for-profit company decides that the MCO service line is unprofitable and discontinues it or reduces much needed services in any way? Have we considered the impact this will have on our most vulnerable populations?

3) Since the MCOs contract for and manage the direct care providers in their service network, how will the state ensure that the provider network remains robust and that the caregiver and transportation crisis is not exacerbated by for profit companies that are directed to maximize profit and thus squeeze additional "profit" out of the provider network by reducing provider rates? We are already experiencing a caregiver shortage and the reduction of provider rates will serve to exacerbate these shortages. We also know that providing transportation and caregiver services help to keep our population of clients in the community and out of institutions. Community care is less expensive than institutional care. Have we considered the fiscal impact of such a move?

4) How does the State maintain a commitment to health equity in the provision of long-term care if a for profit corporation reduces rates to the provider network so that smaller, culturally sensitive, and minority business entities cannot afford to provide services and thus are forced out of business, similar to the network coverage issues experienced in a switch to a statewide brokerage for NEMT services? Will such a move create barriers to employment and thus add to increased unemployment?

5) Given the surpluses in the Medicaid budget over the past two state budget cycles, why would the State entertain the possibility of funneling Medicaid funding to support the profits of an out-of-state for-profit corporation, rather than retaining

Medicaid savings in the state budget and reinvesting it in the Long-Term Care system and in the citizens of Wisconsin?

6) How will the State continue to contract with and regulate the quality of care and care management services under a person-centered approach? What will change in terms of oversight and the ability of the State to hold these entities responsible for quality of care? How will DHS oversight and regulation change in this proposed system? How can we ensure that the most vulnerable of our clients receive the support and care that they need to remain independent and in the community? The removal of basic support services may encourage the use of more expensive care such as increased use of urgent care and emergency department services.

7) We are also hearing from transportation service providers that the way in which transportation is proposed to be provided will involve new methods to schedule and deliver rides. We encourage that accessibility and consumer choice be considered and highlighted with any changes that may occur with transportation services. We hear from our consumer population that there is a need for accessible transportation including service providers who can accommodate wheelchair transportation. In moving forward, system changes should have a heightened sensitivity and response to accessibility and equity issues.

In summary, the Milwaukee County Aging and Disability Resource Center Governing Board is concerned about the current proposal regarding the proposed acquisition of *My Choice* Family Care, a local Managed Care Organization (MCO), by Molina Healthcare. We encourage that there be a reconsideration of this proposal since concerns are raised by this Board and many non-profit providers who attended the forums on the proposed purchases of My Choice Wisconsin and Inclusa on December 14 and December 15.

Thank you for taking the time to consider and respond to our concerns. Will look forward to your response.

Respectfully:

Patricia Bruce, MTS, CSW
Board Chair

Colleen Galambos, Ph.D., LCSW
Board Member

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