



DEPARTMENT OF HEALTH AND HUMAN SERVICES

*Milwaukee County*

Gerri Lyday, Interim Director

February 4, 2011

Mr. Dennis Smith, Secretary  
Department of Health Services  
1 W. Wilson Street  
Madison WI 53703

Dear Secretary Smith:

I am writing to you to ask your assistance in creating a win-win situation for Milwaukee County, the State and your Department of Health Services (DHS), and, most importantly, individuals with mental illness in Milwaukee County and through the state. My request relates to the provision of Community Recovery Services (CRS) under Section 1915(i) of the Social Security Act.

Prior to enactment of the Patient Protection and Affordable Care Act of 2010 (PPAC), Milwaukee County had been approved to provide Community Recovery Services, which was included in the 2008 Medicaid State Plan Amendment. Milwaukee County's Department of Health and Human Services (DHHS), Behavioral Health Division (BHD) intended to serve 914 individuals with mental illness through this effort and had budgeted accordingly.

With the enactment of the PPAC, however, states are no longer able to limit the number of 1915(i) enrollees except through the functional eligibility criteria making it a true entitlement program. Since wait lists would not be allowed, Milwaukee County was (and is still) concerned that the potential number of individuals in Milwaukee County eligible for these services could likely exceed the available funds to pay for the required County match.

In October 2010, Lee Holloway, Chairman of the Milwaukee County Board of Supervisors wrote a letter to Secretary Karen Timberlake requesting that the eligibility criteria for this program be narrowed to limit Milwaukee County's fiscal exposure. Secretary Timberlake responded (11/11/10) that the DHS had tightened the eligibility criteria as much as possible and would be submitting them in a new Medicaid State Plan Amendment. She noted that DHS was projecting that 1,250 individuals would be served annually statewide with the revised criteria.

Milwaukee County DHHS is currently analyzing whether to continue its pursuit to become a 1915(i) CRS provider. BHD has projected that 4,200 individuals would be eligible for services under this program in Milwaukee County utilizing the revised eligibility criteria. The methodology for these estimates was shared with DHS staff and they concurred with the projection.

Roughly 1,000 of these individuals are currently being served at BHD and therefore, if they were served through 1915(i), around 60% of their services costs would be covered through additional federal revenue with the County matching 40% of service costs. It is the remaining almost 3,200 eligible individuals, who are now not being served, that concern us.

We definitely support providing services to individuals with mental illness who need them but Milwaukee County does not have the resources to pay the required County match for 3,200 new eligible individuals who would be entitled to services as the program now requires. With the enactment of PPAC, we could not have a wait list if we ran out of funds. We could not tighten eligibility criteria on our own to stay within our fiscal means.

As we analyze whether to provide 1915(i) Community Recovery Services and prepare to inform the County Executive and County Board of Supervisors of the feasibility and fiscal impact of doing so, we would like commitment from you on several issues which could reassure the County that we have what we need to participate responsibly in this program. Specifically:

1. Could you allow Milwaukee County to establish a Milwaukee County Risk Reserve fund to allow DHHS to use these funds to provide services for individuals not already being served and to develop or enhance new services, such as supported employment and peer supports?
2. Could you commit to agreeing that DHS would submit a public notice to tighten the eligibility criteria once the statewide target of individuals identified in the Medicaid State Plan Amendment was met?
3. Could you allow Milwaukee County to operate 1915(i) within the limits of its available funding so that should the County reach a point where we demonstrate that more enrollments would result in deficit spending, we would close enrollments until there is funding available, likely through attrition?

We would like to participate in this program and better serve people already being supported by BHD and provide needed services to some individuals not now being served. DHS staff would like Milwaukee County to participate since the State receives administrative revenue on each service cost claim. Other counties statewide would like Milwaukee County to participate since the State administrative percentage taken off their reimbursement is higher until Milwaukee is on-board.

There is also a strong coalition of support for securing funding for Community Recovery Services from Milwaukee County's private partners in the mental health system and community advocates. It is recognized as an important vehicle to expand community-based services. The October 2010 report conducted by the Human Services Research Institute (HSRI) in collaboration with the Public Policy Forum and funded through a public/private partnership recommends in its comprehensive analysis that the County work with the State towards greater incentives for the County to participate.

Since only the County is at fiscal risk with providing 1915(i) Community Recovery Services and not the State, which controls the eligibility, we need to reassure Milwaukee County elected officials that safeguards are in place to control costs of this entitlement program.

I look forward to hearing from you and hope that we can work together to provide these needed services and bring in additional federal funds to Milwaukee County and the State of Wisconsin.

Sincerely



Geri Lyday, Interim Director  
Department of Health & Human Services

cc: Governor Scott Walker  
Keith Gilkes, Chief of Staff – Governor’s Office  
Marvin Pratt, Interim Milwaukee County Executive  
Lee Holloway, Chairman – Milwaukee Co Board of Supervisors  
Peggy West, Supervisor – Milwaukee Co Board of Supervisors  
Jim Kubicek, BHD Crisis Services Director  
Walter Laux, BHD Administrator – Adult Community Mental Health & AOD Services  
Terrence Cooley, Chief of Staff – Milwaukee Co Board of Supervisors  
Kelly Bablitch, Milwaukee Co Intergovernmental Relations  
Jennifer Collins, Analyst – Milwaukee Co Board of Supervisors  
Barbara Beckert – Disability Rights Wisconsin