


## MEMORANDUM

**Date:** August 26, 2013

**To:** Supervisor Willie Johnson Jr, Co-Chairman, Committee on Finance, Personnel and Audit  
Supervisor David Cullen, Co-Chairman, Committee on Finance, Personnel and Audit  
Supervisor Peggy Romo West, Chairwoman, Committee on Health and Human Needs

**From:** Maria Ledger, Director, Department of Family Care 

**Subject:** Information Only Report with respect to operations of Milwaukee County Department of Family Care in Racine and Kenosha.

This memorandum is a requested update on the Milwaukee County Department of Family Care (MCDFC) operations in Racine and Kenosha. MCDFC began offering the Family Care benefit in Racine and Kenosha County on May 1<sup>st</sup>, 2012.

### **Statewide Trends in Long term Care Delivery Systems**

MCDFC has been very mindful of the statewide trends towards a more regional approach to the delivery of long-term care services. In January of 2012, there were nine Family Care Managed Care Organizations (MCO's) in Wisconsin. Currently, there are eight and by January 1<sup>st</sup> 2014, the number of MCOs' offering the Family Care benefit in Wisconsin will decrease to seven. Of those seven MCOs that remain operational, five have expanded operations beyond their original boundaries. The two MCOs that have ceased operations did not choose to expand. The MCOs that are replacing these two organizations are already contracted with the State and are expanding to new geographic service regions.

This move towards regionalization and consolidation is why MCDFC sought Board approval to expand operations to other counties in order to help insure the sustainability of the program in Milwaukee.

### **Enrollments in Racine/Kenosha**

Since May of last year, MCDFC has served more than 100 members in Racine and Kenosha. Our current census is 81 members with the majority of our disenrollments occurring due to death.

We have 30 members with intellectual disabilities, 20 members who are frail elders and 31 members who are physically disabled. The majority of our Racine/Kenosha members reside in community settings. Only 2 members reside in Nursing Homes.

While MCDFC has been establishing its operations in Racine and Kenosha, we have been insistent that MCDFC must not experience any decline operationally, qualitatively or fiscally.

### **Provider Network**

In Milwaukee, we have grown our provider network to more than 1,000 community agencies. We have provided \$2.4 million in provider rate increases ranging from 4% to 5% for day services, employment services and transportation, as well as a wage increase to supportive home care workers employed by our two Supportive Home Care Employment Service Agencies.

### **Member Satisfaction**

Our members continue to report high levels of satisfactions with the program and the services they receive. Throughout 2012, 1,233 members responded to our member satisfaction survey and provided the following specific information:

- 93% of members are happy with the quality of the services they receive;
- 92% of members would recommend the MCDFC MCO to a friend;
- 94% of members receive help from their CM/RN when they need it;
- 95% of members report their CM and RN listen to their concerns.

### **The State's Quality Audit**

The State's External Quality Review Entity, Metastar, has also made note of the quality of our program and the services we provide.

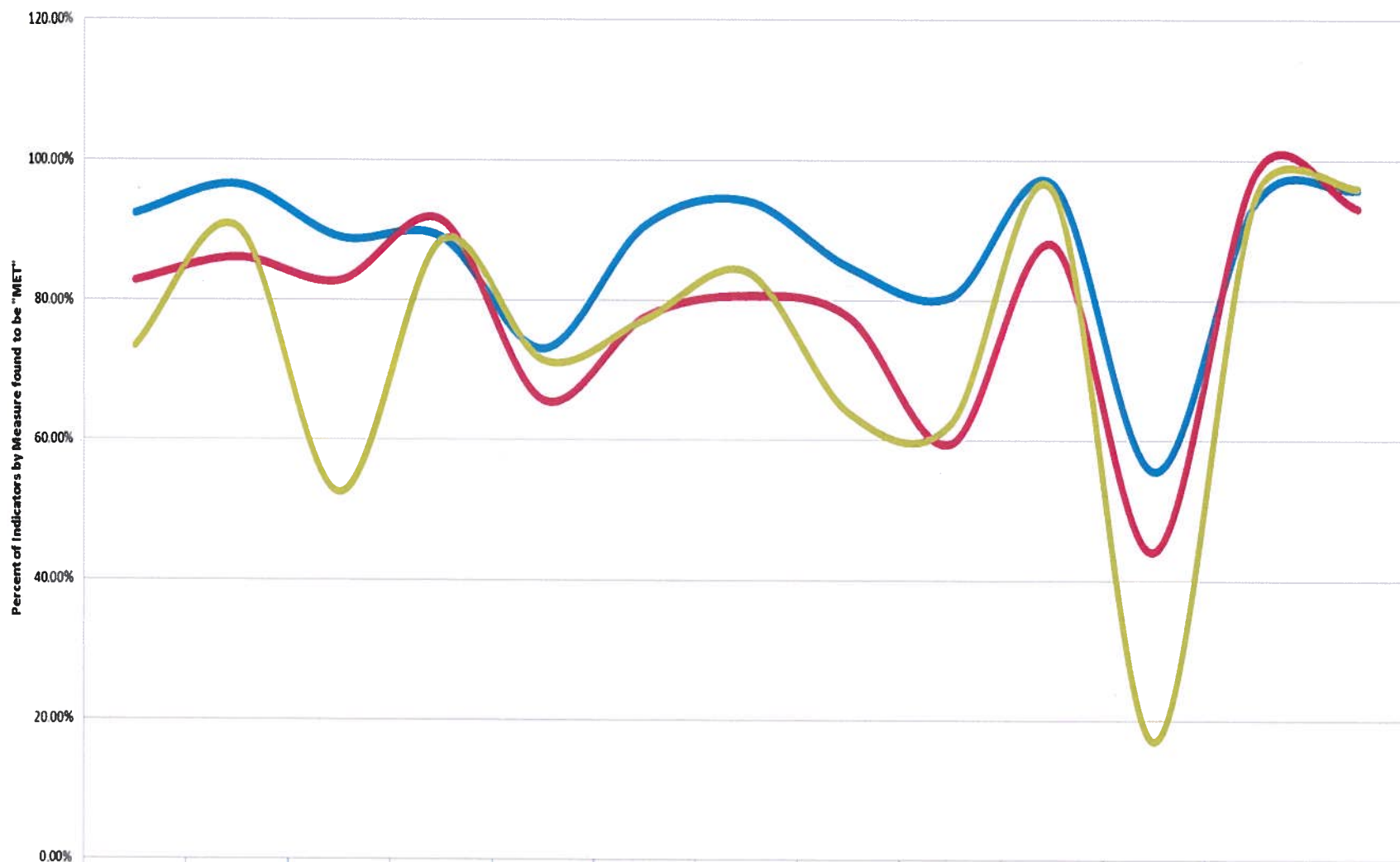
In the Care Management Record Review of our most recent audit, Metastar found the following:

- 11 of the 13 Quality Indicators demonstrated improvement
- 7 of the 13 Indicators had a "Met" average in the 90% range.
- The overall average climbed to 90% for 2012-2013

Additionally, during the **Quality Compliance Review** portion, as an MCO we were found to have made significant progress since our 2011-2012 review and have:

- Improved consistency of practice across CMU's
- Improved communication, monitoring, and mentoring for teams

### MCDFC AQR Care Management Record Review Results 2010 - 2013



	Comprehensiveness of Assessment	Re-Assessment Done when Indicated	Comprehensiveness of Most Recent MCP	Timeless of Most Recent MCP	Plan Updated for Significant Changes	Timeliness of Service Authorization Decisions	Risk Related to Member Choice Addressed	Timely Coordination of Services	Follow-up to Ensure that Services are Effective	Identified Needs are Addressed	Notice of Action issued in a timely manner	Member/Guardian/Family/Informal Supports Included	SDS Options Offered
2012-2013	92.37%	96.49%	88.98%	88.98%	73.08%	90.68%	94.19%	84.75%	80.51%	96.61%	55.56%	94.07%	95.76%
2011-2012	82.76%	86.09%	82.76%	91.38%	65.71%	77.59%	80.65%	77.59%	59.48%	87.93%	44.07%	98.28%	93.10%
2010-2011	73.42%	90.41%	52.53%	88.61%	71.43%	77.27%	84.09%	63.92%	62.42%	95.57%	17%	94.94%	96%

### **Enrollment**

The MCDFC has budgeted for a “flat” enrollment for 2014 in Milwaukee County. While one always hopes for growth in enrollment, we have worked hard to avoid the declines other MCO’s have seen in their own enrollment.

Potential members in Milwaukee must now choose between two Family Care MCOs, two Partnership MCOs and IRIS. We have managed to maintain our enrollment by providing high quality services, meaningful choice for members and by making sure that we let the public know who we are and what we do.

Our marketing efforts, detailed below, are a critical part of maintaining our enrollment by informing current and potential members of the benefits of this program.

### **Sponsorships**

### **Number of People Reached**

Broadway Theatre Center - Assisted in purchasing Ramp and Assisted Listening Devices.	19,000
Independence First - Night for Independence	500
Racine County Special Needs Resource Fair	75
Senior Companion Program – Racine	350
Marcus Center for the Performing Arts – Purchased Assisted Listening Devices	280,000
Set Ministry - Setforth Breakfast	350
WMCS 1290 Christmas Family Feast	9000
Community Healing Music Presentations	400
MADDSA Caregiver Appreciation luncheon	250
Milwaukee Aging Consortium Caregiver Conference	350
<b>Total:</b>	<b>310,275</b>

### **Resource/Information Fairs**

### **Number of People Reached**

Wisconsin Aging Consortium Caregiver Educational Event	500
50 Plus Senior Resource Fair	780
Booth at Festa Italiana	7,300
Killarney Kourt – Racine	80
1290 Health and Wellness Fair	450
Seniorfest - Serb Hall - 30th year event	1,000
Milwaukee County Resource Fair	1,500
State Fair - Hosted Resource Booth	13,500
Heart of the Matter Resource Fair Information Booth	125
Senior Empowerment Resource Fair – Racine	250
Super Senior Friday	300
Azura Dementia Conference	50
Veterans Place Resource Fair	75
St Monica's Senior Resource Fair – Racine	350
St Rita's Parrish	150
Kenosha County Fair	1,200
Health and Wellness Fair – Sturdevant	75
Veterans Day at Milwaukee County Zoo	500
Senior Day at Summer Fest	350
<b>Total:</b>	<b>28,535</b>

<b><u>Advertising</u></b>	<b><u>Number of People Reached</u></b>
Poster Board Advertising	14,569,118
Transit Shelters	3,436,084
Interior Cards	23,460
Med Center Display	49,500
1290 Healthy Lifestyle Spot	28,000
WRIT Radio Community Service Ads	306,400
WKKV Radio Community Service Ads	138,200
WMIL Radio Community Service Ads	277,100
WOKY Radio Community Service Ads	31,300
<b><u>Total:</u></b>	<b><u>18,859,162</u></b>

Lastly, continuing from 2012 our financials demonstrate a strong fiscal performance in the current year. The State Department of Health Services complimented our Chief Financial Officer on both the results and presentation of our financial statements stating, "You've done a great job there!"

The financial results for Racine and Kenosha Counties are a net income of \$152,566 and a net income of \$3,140,141 for Milwaukee County. For the Committee on Finance, Audit and Personnel's convenience the financial reporting summaries of the first six months of 2013 for Racine and Kenosha Counties, Milwaukee County and on a consolidated basis are provided below.

**MCDFC-MCO Income Statement  
For the period of January 1 thru June 30, 2013**

**Racine and Kenosha Counties**

	<b>1/1/2013 - 6/30/13 Estimated Actual</b>	<b>1/1/2013 - 6/30/13 Budget</b>
<b><u>Revenues</u></b>		
Capitation Revenues	\$1,026,122	\$1,604,415
Member Obligation Revenues	\$80,158	\$716,343
Other Revenues		\$0
<b>Total Revenues</b>	<b>\$1,106,281</b>	<b>\$2,320,758</b>
<b><u>Expenses</u></b>		
Member Service Expenses	\$886,750	\$1,626,207
Administrative Expenses:		
---Labor & Fringes		\$0
---Vendor Contracts	\$66,964	\$131,571
---Cross Charges/internal transfers		\$0
---Other expenses (supplies, mileage, etc.)		\$48,727
---Est. contribution to reserve		
<b>Total Expenses</b>	<b>\$953,715</b>	<b>\$1,806,506</b>
<b>Net Surplus/(Deficit)</b>	<b>\$152,566</b>	<b>\$514,252</b>

<b><u>June 2013 Enrollment</u></b>	
<b>Nursing Home (Comprehensive):</b>	
59 and Under	40
60 and Over	28
<b>Non-Nursing Home (Intermediate):</b>	
59 and Under	0
60 and Over	0
<b>Total Members Served</b>	<b>69</b>

**MCDFC-MCO Income Statement**  
**For the period of January 1 thru June 30, 2013**

**Milwaukee County**

	<b>1/1/2013 - 6/30/13 Estimated Actual</b>	<b>1/1/2013 - 6/30/13 Budget</b>
<b><u>Revenues</u></b>		
Capitation Revenues	\$125,600,206	\$125,369,122
Member Obligation Revenues	\$15,442,823	\$14,652,878
Other Revenues	\$1,247,168	\$432,815
<b>Total Revenues</b>	<b>\$142,290,196</b>	<b>\$140,454,815</b>
	\$142,290,196	
<b><u>Expenses</u></b>		
Member Service Expenses	\$132,370,717	\$132,625,923
Administrative Expenses:		
---Labor & Fringes	\$3,096,736	\$3,515,383
---Vendor Contracts	\$2,120,540	\$2,499,283
---Cross Charges/internal transfers	\$663,426	\$651,774
---Other expenses (supplies, mileage, etc.)	\$898,637	\$1,327,467
---Est. contribution to reserve	\$0	\$0
<b>Total Expenses</b>	<b>\$139,150,056</b>	<b>\$140,619,830</b>
<b>Net Surplus/(Deficit)</b>	<b>\$3,140,141</b>	<b>(\$165,015)</b>

<b><u>June 2013 Enrollment</u></b>	
<b>Nursing Home (Comprehensive):</b>	
59 and Under	1,880
60 and Over	6,008
<b>Non-Nursing Home (Intermediate):</b>	
59 and Under	69
60 and Over	35
<b>Total Members Served</b>	<b>7,991</b>

**MCDFC-MCO Income Statement**  
**For the period of January 1 thru June 30, 2013**

**Consolidated**

	<b>1/1/2013 - 6/30/13 Estimated Actual</b>	<b>1/1/2013 - 6/30/13 Budget</b>
<b><u>Revenues</u></b>		
Capitation Revenues	\$126,626,328	\$126,973,536
Member Obligation Revenues	\$15,522,981	\$15,369,221
Other Revenues	\$1,247,168	\$432,815
<b>Total Revenues</b>	<b>\$143,396,477</b>	<b>\$142,775,573</b>
 <b><u>Expenses</u></b>		
Member Service Expenses	\$133,257,467	\$134,252,130
Administrative Expenses:		
---Labor & Fringes	\$3,096,736	\$3,515,383
---Vendor Contracts	\$2,187,504	\$2,630,854
---Cross Charges/internal transfers	\$663,426	\$651,774
---Other expenses (supplies, mileage, etc.)	\$898,637	\$1,376,194
---Est. contribution to reserve	\$0	\$0
<b>Total Expenses</b>	<b>\$140,103,770</b>	<b>\$142,426,335</b>
 <b>Net Surplus/(Deficit)</b>	 <b>\$3,292,707</b>	 <b>\$349,237</b>

<b><u>June 2013 Enrollment</u></b>	
<b>Nursing Home (Comprehensive):</b>	
59 and Under	1,920
60 and Over	6,036
<b>Non-Nursing Home (Intermediate):</b>	
59 and Under	69
60 and Over	35
<b>Total Members Served</b>	<b>8,060</b>



Cc: County Executive Chris Abele  
Chairwoman Marina Dimitrijevic, Milwaukee County Board of Supervisors  
Supervisor James Schmitt, Milwaukee County Board of Supervisors  
Amber Moreen, Chief of Staff, Office of the County Executive  
Raisa Koltun, Director of Legislative Affairs, Office of the County Executive  
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors  
Steve Cady, Fiscal and Budget Analyst, Milwaukee County Board of Supervisors  
✓ Jodi Mapp, Committee Clerk, Milwaukee County Board of Supervisors  
Janelle Jensen, Committee Clerk, Milwaukee County Board of Supervisors  
Jim Hodson, Chief Financial Officer, MCDFC