	Nursing Home/Assisted Living Committee **Monday, January 9, 2017 – 3:00 pm** **Health & Human Services Center – Room 2001** **303 W. Chapel Street** **Dodgeville, Wisconsin**	**Iowa County Wisconsin**

For information regarding access for the disabled please call 935-0399.

Any subject on this agenda may become an action item.

A quorum of the Bloomfield Healthcare Committee may be present. That committee will take no action.

1	Call to order.
2	Roll Call.
3	Approve the agenda for this January 9, 2017 meeting.
4	Approve the minutes of the December 13, 2016 meeting.
5	Report from committee members and an opportunity for members of the audience to address the committee. No action will be taken.
6	Feasibility Study.
7	The Changing Medicaid update from Leading Edge.
8	Consider Resolution of Support for New County Nursing Home and Assisted Living Facility.
9	Motion to convene in closed session pursuant to section 19.85(1)(f) Considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations. (Personal histories of non-profit Board member candidates)
10	Motion to return to open session.
11	Possible action on the closed session item.
12	Communicating with Iowa County communities.
13	Progress Report for the County Board.
14	Set next meeting date.
15	Adjournment.

Posting verified by the County Clerk's Office: Date: 1/5/17 Initials: GK

AGENDA ITEM COVER SHEET

Title: Nursing Home Support Resolution ◉ Original ○ Update

TO BE COMPLETED BY COUNTY DEPARTMENT HEAD

DESCRIPTION OF AGENDA ITEM (Please provide detailed information, including deadline):

Attached is a Resolution Drafted at your request. The plan as I understand it; is to have the attached resolution prepared and forwarded to the County Board to ensure that they are still committed to creating "Prairie Village Care, Inc." and applying for the Direct Loan from USDA for funding 75% of the start up. Is the County Board committed knowing what the County's contributions will need to be? It would also be a good introduction for a discussion on whether a County-wide referendum is needed.

RECOMMENDATIONS (IF ANY):

None

ANY ATTACHMENTS? (Only 1 copy is needed) ○ Yes ○ No If yes, please list below:

Attached is the draft resolution. Also attached is an email communication from USDA regarding the requirements of the Direct Loan Program. Please read this, as we may need to modify the draft resolution.

FISCAL IMPACT:

There is a substantial financial impact from adopting the attached resolution. The County is substantially saying that they would continue to support applying for a Direct Loan and are willing to commit the financial contribution associated with said application. Not all of the commitment is financially defined down to a dollar amount, so caution should be used when considering this Resolution.

LEGAL REVIEW PERFORMED: ○ Yes ◉ No **PUBLICATION REQUIRED:** ○ Yes ◉ No

STAFF PRESENTATION?: ○ Yes ◉ No How much time is needed? _____

COMPLETED BY: Larry Bierke **DEPT:** County Administrator

2/3 VOTE REQUIRED: ○ Yes ○ No

TO BE COMPLETED BY COMMITTEE CHAIR

MEETING DATE: **AGENDA ITEM #**

COMMITTEE ACTION:

Resolution No. _____

RESOLUTION OF SUPPORT FOR NEW COUNTY NURSING HOME AND ASSISTED LIVING FACILITY

WHEREAS, the Iowa County Board has created a Nursing Home/Assisted Living Committee to establish a non-profit organization that will build and manage the County's Nursing Home and Assisted Living Facility; and

WHEREAS, under the Nursing Home/Assisted Living Committee and County Board has adopted necessary paperwork for creating Prairie Village Care, Inc.; a non-profit organization; and

WHEREAS, the Nursing Home/Assisted Living Committee has identified a funding option available through United States Department of Agriculture-Rural Development called the "Direct Loan Program"; and

WHEREAS, the Direct Loan Program has specific requirements that must be met for the loan to be granted to Prairie Village Care, Inc.

NOW THEREFORE, BE IT RESOLVED by the Iowa County Board of Supervisors that Iowa County hereby expresses its support for providing the following financial commitments necessary to pursue funding from the Direct Loan Program:

1. That Prairie Village Care, Inc. be an independent non-profit that is not under the control of the County Board and does not have County Supervisors holding a majority of seats on its Board of Directors.
2. That Iowa County contributes upfront a one million dollar commitment to the project in the form of cash, land, consultant fees, or other efforts.
3. That Iowa County contributes six months of operating cash to Prairie Village Care, Inc. as determined by a feasibility study.
4. That Iowa County restricts reserve funds equal to 45 days of cash on hand to ensure Prairie Village Care, Inc. can operate on its own. This reserve shall be maintained until such time that Prairie Village Care, Inc. develops a reserve fund that ensures a 1.25 debt service ratio.

BE IT FURTHER RESOLVED that this resolution has been reviewed and agreed to by USDA-Rural Development and recommended by the Nursing Home/Assisted Living Committee.

Respectfully submitted by the Nursing Home/Assisted Living Committee. Adopted this _____ day of January, 2017

LeadingAge™ Wisconsin

Better Services for Better Aging

Wisconsin Association of County Homes
January 27, 2016

Current State of Affairs in County Nursing Homes

Brian Schoeneck, Vice President of Financial and Regulatory Services

LeadingAge Wisconsin

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Madison WI 53703

(608) 255-7060

bschoeneck@LeadingAgeWI.org

County Homes:
Current State of Affairs
Overview

- Current Landscape
- Trends: Skilled Nursing and Assisted Living
- Alzheimer's Disease / Dementia
- Nursing Home CPE/Medicaid Funding
- Workforce
- Federal Issues

County Nursing Homes – Current Landscape

- 34 Counties Operate Nursing Homes
- 39 Skilled Nursing Homes; Dunn operates three. La Crosse, Trempealeau & Wood operate two.
- ICF-IID: Clark – 16 Beds; Dodge – 46 Beds; Grant – 29 Beds
- State Only: Dodge, La Crosse, Trempealeau;
- Commissions: Dodge, La Crosse, Clark
- Brain Injury Centers: Dodge and Wood

County Nursing Homes – Current Landscape Housing

- Independent Housing: La Crosse – Hillview & Ozaukee
- CBRF's: Clark, Dodge, La Crosse, Monroe, Trempealeau & Washington
- RCAC's: La Crosse, Ozaukee, Trempealeau & Washington
- Adult Family Homes (AFH): Dodge, La Crosse & Trempealeau
- There are Eleven counties either building or in the planning stage to build CBRF's.
- **New Construction/Renovation ? – *Value First Construction Services Program: Contact Denise May; dmay@leadingagewi.org***

County Nursing Homes – Current Landscape
Nursing Home Beds

- 12/31/08: 5,202
- 12/31/15: 4,479
- # of Beds: (723)
- Percent Reduction = 13.9%
- **Statewide:**
- 12/31/08: 37,490
- 12/31/15: 32,934
- # of Beds: (4,556)
- Percent Reduction = 12.2%

County Nursing Homes – Current Landscape Resident Days

- Medicaid Days for Supplemental Payments
- 2015-16: 1,080,405; Decrease from 2014-15 = **-36,065**
- 2014-15: FFS = 1,012,525; Family Care = 104,945 ; Total MA Days = 1,116,470
- Medicare Days: 2014 Cost Report; 145,735 days; Medicare days as percent of total days: From 0% to 29.75%; Average = 9.75%
- Medicare Days: 2013 Cost Report; 149,493 days; Medicare days as percent of total days: From 0% to 26.54%; Average = 9.67%
- 2014 Cost Report Occupancy: 75% - 98%
- 2013 Cost Report Occupancy: 72% - 98%

Medicaid "Fee for Service" Patient Days

	2015-16	2014-15	2013-14
For Profit	2,310,827	2,411,848	2,512,402
Non-Profit	1,582,289	1,706,250	1,764,938
Government	1,064,819	1,117,342	1,119,210
Total	4,957,935	5,235,441	5,396,550
Residents/Day	13,583	14,344	14,785
ICF- IID Days	30,813	73,688	84,285
		(42,875)	(10,597)

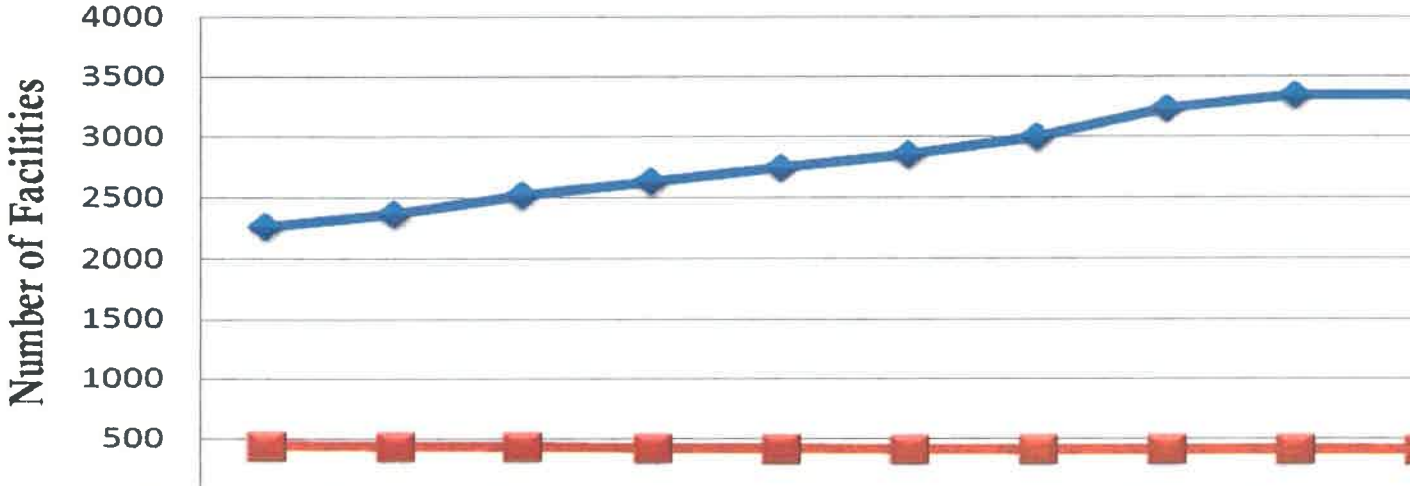
2015-16 vs. 2014-15: (277,506) = (5.30%)

2015-16 vs. 2013-14: (438,615) = (8.13%)

(Source: DHS Estimated Days for Medicaid Reimbursement)

AL vs. LTC Facilitie

Trend in Number of Facilities

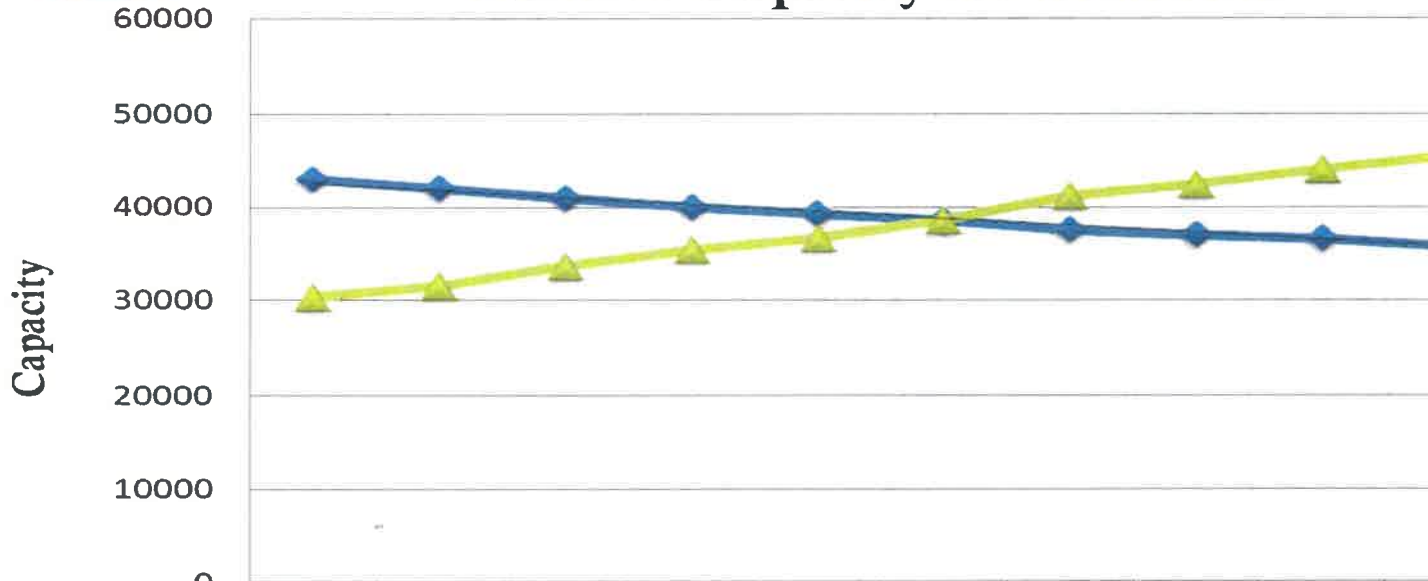


	2003	2004	2005	2006	2007	2008	2009	2010	2011	20
AL	2269	2372	2525	2634	2751	2859	3001	3238	3348	33
LTC	444	439	436	425	421	415	413	413	413	4

Wisconsin Department of Health Services

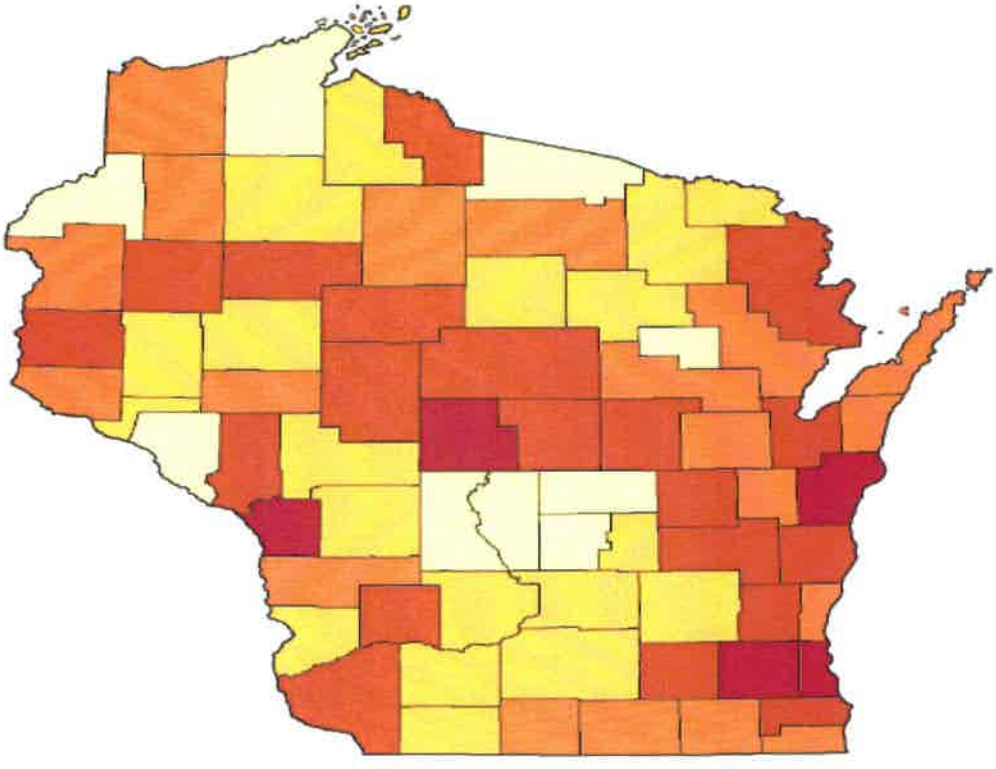
AL vs. LTC Capacity

Trend in Capacity for Residents



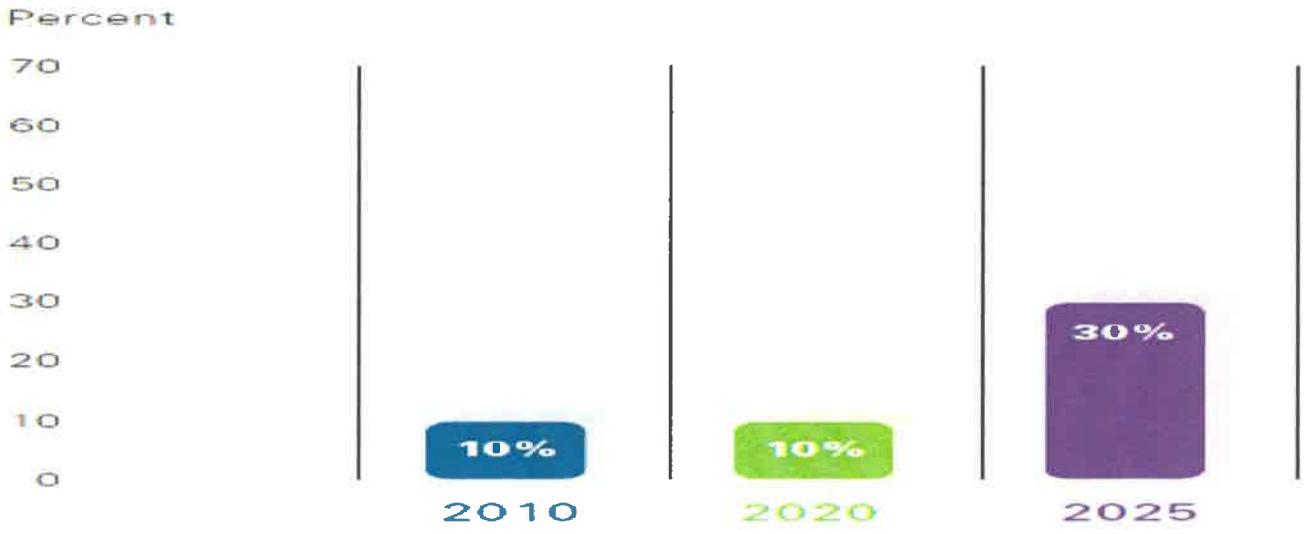
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2
LTC	43052	42074	41010	40054	39296	38596	37546	36961	36569	35
AL	30411	31570	33726	35442	36742	38654	41270	42525	44107	45

Wisconsin
Prevalence of Alzheimer's Disease/Dementia Among Medicare Fee-For-Service Beneficiaries by County: 2012



Number of fee-for-service beneficiaries in Wisconsin: 626,071
Wisconsin Alzheimer's disease/dementia prevalence: 8.8%
National Alzheimer's disease/dementia prevalence: 9.8%

PERCENTAGE CHANGE IN NUMBER W
ALZHEIMER'S DISEASE COMPARED T



NUMBER OF PEOPLE AGED 65 AND OLDER WITH ALZHEIMER'S BY AGE *Totals may not add due to rounding.*

Year	65–74	75–84	85+	Total	% change from 2000
2000	5,700	51,000	45,000	100,000	
2010	4,900	49,000	55,000	110,000	10%
2020	6,400	49,000	58,000	110,000	10%
2025	7,500	58,000	60,000	130,000	30%

- Certified Public Expenditure (CPE) and Supplemental Payments (SP)

- Intergovernmental Transfer Program (IGT): 1990-2005 Program under which c wire transfers and Medicaid deficits were used to generate federal matching f

Certified Public Expenditure Program (CPE): Local government homes certify Medicaid losses which are used to generate federal Medicaid matching funds. State returns some of these newly generated dollars to the homes via budgete Supplemental Payments (SP). Remaining dollars are used to fund base Medicai expenses per budget provisions. $39.1 Million

- 2013-14: $34.89/MA FFS Day; $23.93/ MA FC Day
- 2014-15: $36.55/MA FFS Day; $35.55/ MA FC Day
- 2015-16: $37.10/MA FFS Day & MA FC Day **(Estimate)**

DHS is required to return any CPE funds over the budgeted amounts to local government homes; June 2008; CPE = $17,603,246; June 2009; CPE = $10,604, July 2012; CPE = $5,504,169

Don't budget for future CPE payments

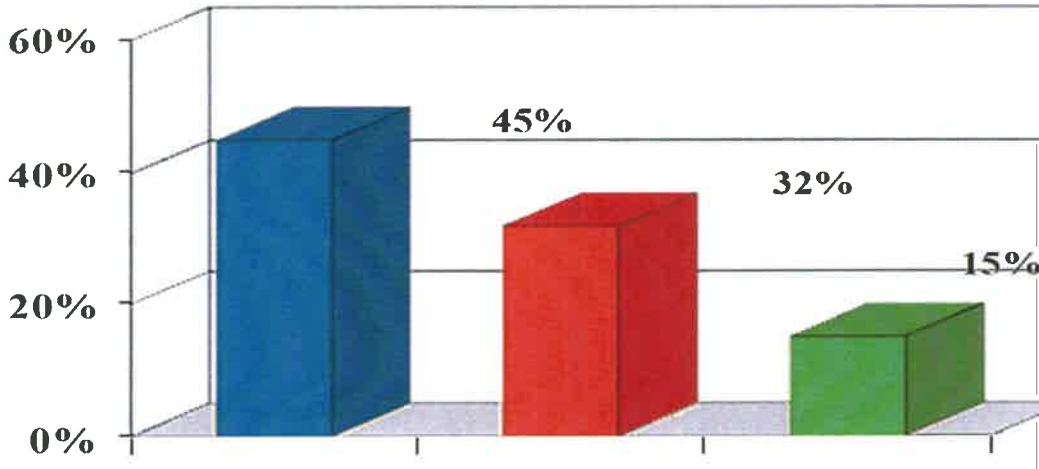
Nursing Home Certified Public Expenditure (CPE) Claims

	CPE Revenues	CPE Budgeted	Due to Counties
SYF 15	$27,393,694	$52,000,000	($24,606,306)
SYF 14	$24,705,602	$52,000,000	($27,294,398)
SFY 13	$47,725,463	$48,884,000	($1,158,537)
SFY 12	$54,388,194	$48,884,000	**$5,504,194**
SFY 11	$53,477,216	$57,562,000	($4,084,784)
SFY 10	$56,711,967	$59,515,900	($2,803,933)
SFY 09	$47,604,473	$37,000,000	**$10,604,473**
SFY 08	$57,603,245	$40,000,000	**$17,603,245**

Medicaid: Underfunding of Nursing Facility Resident C

- Over 98% of Wisconsin's nursing homes had Medicaid de 14.
- Medicaid losses for 371 nursing homes = **$330,978,401**
- Average Medicaid loss per day = **$52.11**
- Medicaid operating loss for 100-bed facility is **$1,074,4**
- Medicaid underfunding inhibits the ability of nursing fa competitive wage/benefit packages. A recent survey of an **8% vacancy rate for RNs, a 7% vacancy rate for LP vacancy rate for CNAs**, who provide most hands-on homes.

Nurse Aide* Wages and Turnover



	Low Cost Homes (For-profits)	Moderate Cost Homes (Non-profits)	High Cost Ho (County
	$12.65/hr	$13.37/hr	$14.02/hr
Fringes	19.2%	22.1%	42.3%
Nursing Hrs Paid (est)	4.03	4.62	4.89

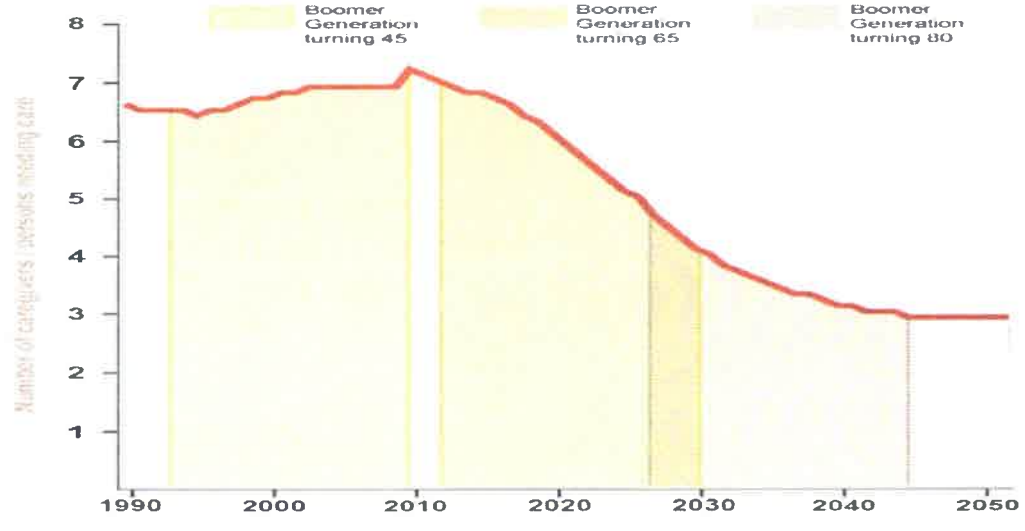
*Full-Time Certified Nursing Assistants

Source: DHS, *Nursing Homes, Consumer Information Report, 2013* and 2013 MA Cost Reports

You Take Care of Mom, But Who Will Take Care of You?

Family caregivers provide the majority of long-term services and supports (LTSS). But the supply of family caregivers is unlikely to keep pace with future demand. The Caregiver Support Ratio is defined as the number of potential family caregivers (mostly adult children) aged 45-64 for each person aged 80 and older—those most likely to need LTSS. The caregiver support ratio is used to estimate the availability of family caregivers during the next few decades.

Caregiver Support Ratio



In **2010**, the caregiver support ratio was more than **7** potential caregivers for every person in the high-risk years of 80-plus.

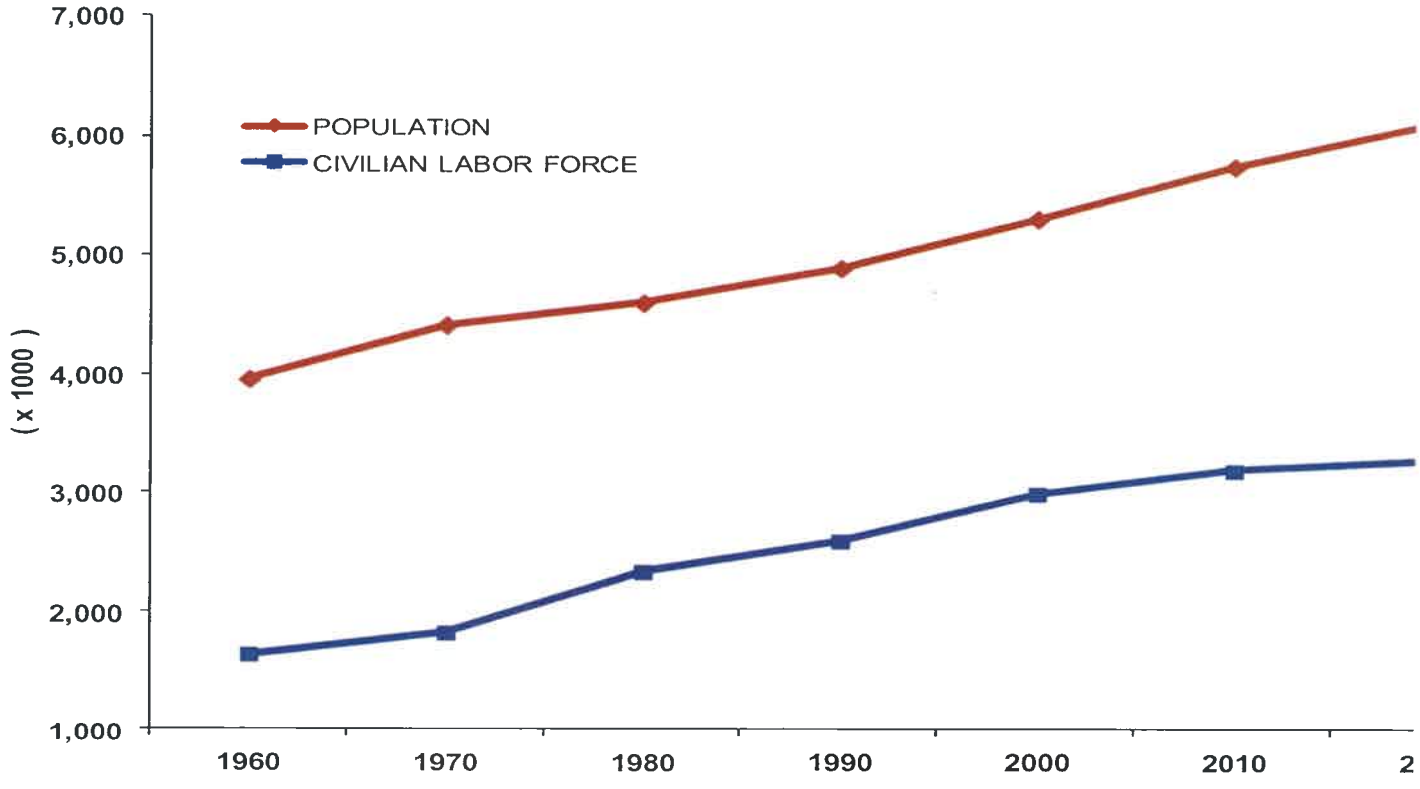
In **2030**, the ratio is projected to decline sharply to **4 to 1**; and it is expected to further fall to less than **3 to 1** in **2050**.

Caregive
Ra

2010

2030

2050


7,000
6,000
5,000
4,000
3,000
2,000
1,000
(x 1000)
POPULATION
CIVILIAN LABOR FORCE
1960
1970
1980
1990
2000
2010
2

Nursing Home Compare - Five Star Reports: 2nd QTR 2015

	Non Profit	For Profit	Government	Total
# of NF's	128	205	54	387
Ave # of Beds	80	87	103	87
Ave # of Residents	68	64	95	70
Ave Occupancy	85.0%	73.6%	**92.2%**	80.5%
Adjusted Staffing Hours:				State
RN Hours	.7889	.6755	.8131	.7311
LPN Hours	.7051	.7281	.7262	.7201
CNA Hours	2.7354	2.3409	3.0585	2.5644
Total Hours	4.2294	3.7445	4.5978	4.0156

Improving Medicare Post-Acute Care Transformation Act of 2014 – the Impact Act

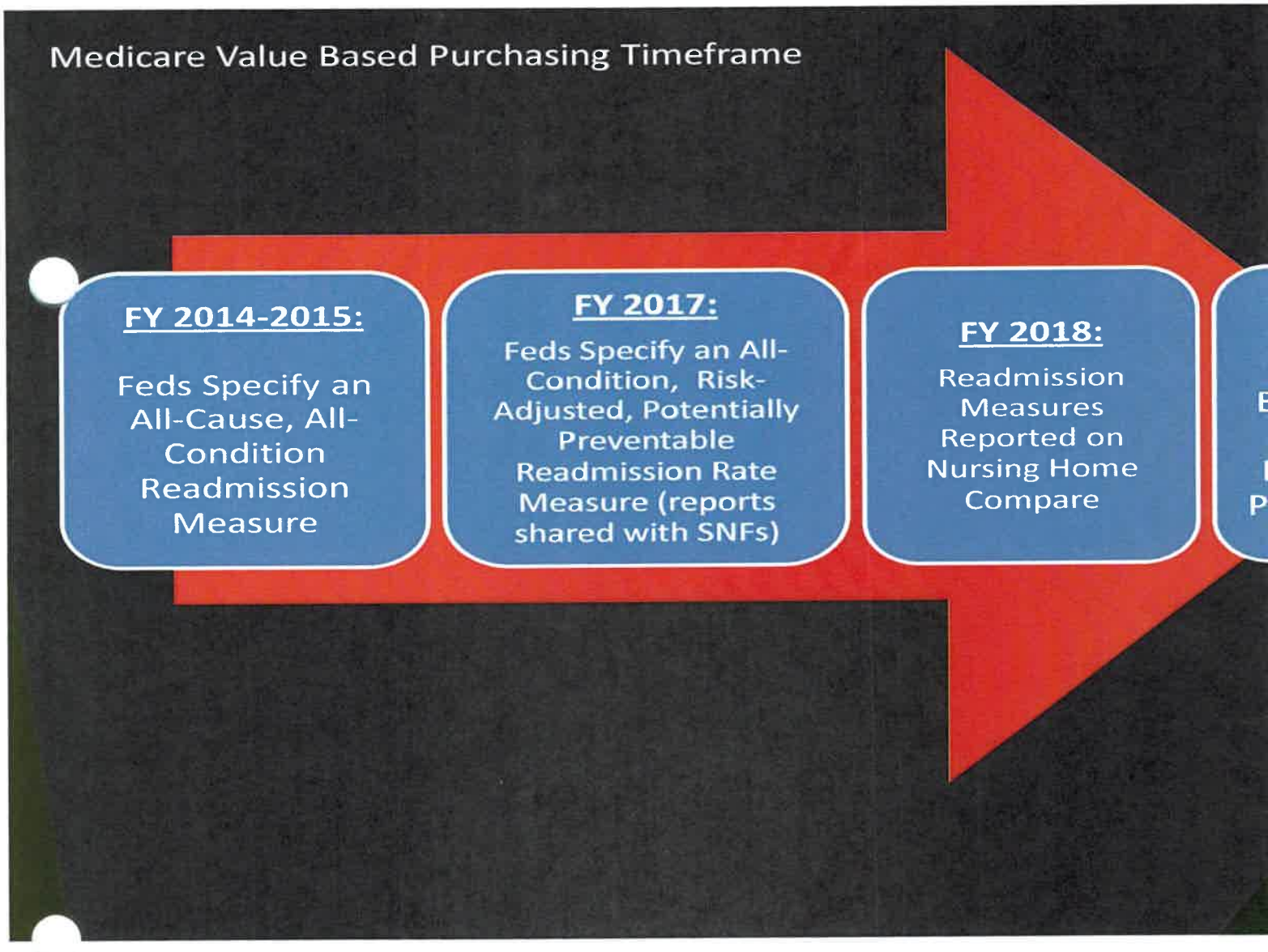
- Requires standardized patient assessment data across post acute care settings -Nursing Homes, Home Health Agencies, Long-Term Care Hospitals & Inpatient Rehabilitation Facilities

	Nursing Homes	HHA	LTCH	IHR
Facilities	15,000	12,311	420	1.166
Ave Length of Stay	39 days		26 days	13 days
# of Beneficiaries	1.7 million	3.4 million	124,000	373,000
Medicare Spending	$28.7 billion	$18 billion	$5.5 billion	$6.7 billion
Assessments	20 million	35 million	76,000	429,000

Improving Medicare Post-Acute Care Transformation Act of 2014 – the Impact Act

Nursing Homes: PBJ & Quality Measure Domains and Timelines

- Payroll-Based Journal (PBJ): Electronic Submission of Staffing Data – Mandatory on July 1, 2016. July – September, 2016 data is due by 11/15/16.
- **Quality Measure Domains:**
- Functional status, cognitive function and changes in functions: October 1, 2016
- Skin integrity and changes in skin integrity: October 1, 2016
- Medication Reconciliation: October 1, 2018
- Incidence of Major Falls: October 1, 2016
- Communicating the existence of and providing for the transfer of health information and care preferences: October 1, 2018


Medicare Value Based Purchasing Timeframe
FY 2014-2015:
Feds Specify an All-Cause, All-Condition Readmission Measure
FY 2017:
Feds Specify an All-Condition, Risk-Adjusted, Potentially Preventable Readmission Rate Measure (reports shared with SNFs)
FY 2018:
Readmission Measures Reported on Nursing Home Compare

HHS Value-Based Reimbursement Alternative Payment Models Why We Need A Member Network?

- Alternative Payment Models being tested include:

1. Accountable Care Organizations (ACOs)
2. Advanced Primary Care Medical Homes
3. Bundled payments or episodic payments
4. Integrated care demonstrations for dual eligible beneficiaries (i.e., eligible for both Medicare and Medicaid)

HHS Value-Based Reimbursement
The Reimbursement Framework

- Category one: fee-for-service (FFS) with no link to quality
- Category two: fee-for-service with a link to quality
- Category three: alternative payment models built on fee-for architecture
- Category four: population-based payment

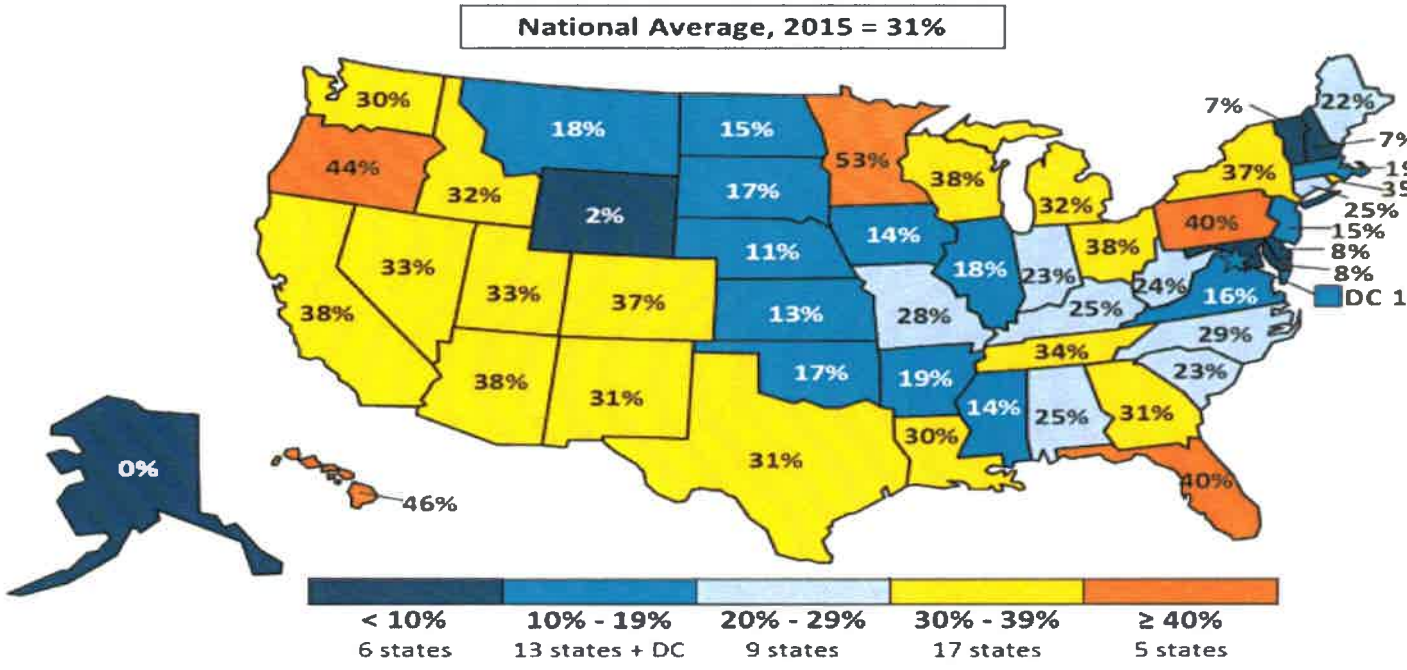
Timeline for Transition: (2014 - 20% in categories 3 &4)

- End of 2016: 85% of Medicare payments in categories two th in categories three & four
- End of 2018: 90% in categories two through four; 50% in cate four

Medicare Advantage | National Enrollment

Figure 2

Share of Medicare Beneficiaries Enrolled in Medicare Advantage Plans, by State, 2015



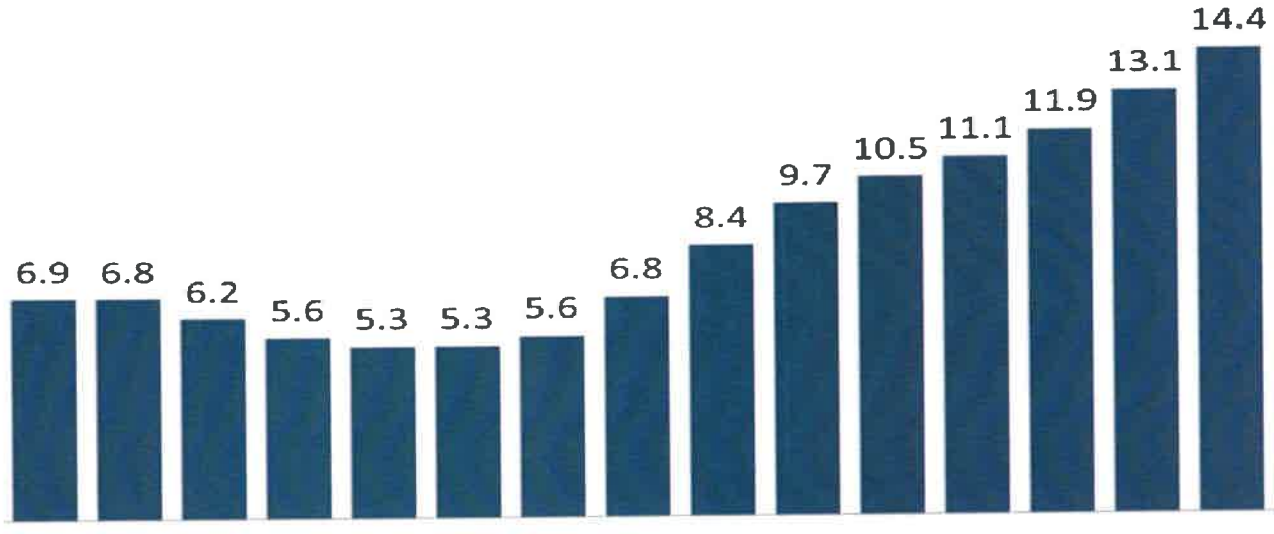
NOTE: Includes MSAs, cost plans and demonstrations. Includes Special Needs Plans as well as other Medicare Advantage plans.
SOURCE: Authors' analysis of CMS State/County Market Penetration Files, 2015.

Medicare Advantage | National Growth

Figure 1

Total Medicare Private Health Plan Enrollment, 1999-

In millions:



NOTE: Includes MSAs, cost plans, demonstration plans, and Special Needs Plans as well as other Medicare Advantage plans.
SOURCE: MPR/Kaiser Family Foundation analysis of CMS Medicare Advantage enrollment files, 2008-2015, and MPR, "Trackin
Medicare Health and Prescription Drug Plans Monthly Report," 1999-2007; enrollment numbers from March of the respective
with the exception of 2006, which is from April.