

## WAHSA's 2011-13 Legislative Agenda

- **Nursing Home Bed Tax “Skim”** – Provide nursing facilities with a 3.25% MA rate increase in 2011-12 by eliminating the nursing home bed tax “skim” and returning the \$50 million in federal revenues generated by the bed tax to nursing homes in the form of a rate increase. Nursing home bed tax revenues only should be used to fund nursing home rate increases, not to balance the state budget. A 3.25% MA rate increase for nursing homes can be funded without another increase in the bed tax if the federal dollars generated by the current bed tax go back to where they belong, to the nursing homes, and particularly to the private pay residents of those nursing homes who pay the tax.
- **Certified Public Expenditure Program (CPE) Funding Split** – Enhance reimbursement to county- and municipally-operated nursing homes by requiring that “at least \$39.1 million in each fiscal year” of the federal MA funds generated by county/municipal nursing home deficits under the CPE program be returned to the facilities which generated those additional federal funds and that future CPE-generated federal funds be shared equally between the State and county/municipal nursing homes.  
The nursing home quality challenge has hit county nursing facilities, which represent 11% of the nursing facilities in the state but incur 38% of the Medicaid losses, particularly hard. Since 1986, 15 county facilities either have closed or been sold. Thirty-nine county facilities remain in operation but many county boards currently are discussing whether to continue to operate a nursing home because of those onerous Medicaid losses and the cost to subsidize those losses that is borne by the county property taxpayer. Ironically, the MA losses incurred by county nursing homes have generated over \$2.4 billion in federal MA matching funds in the past decade, but only 28% of those county-generated federal funds have gone back to county nursing homes. If the State “skimmed” less, more county nursing homes would have a greater chance for survival. An even greater irony is federal MA funding decreases when county nursing home deficits decrease, which they surely do when they go out of business. But the greater concern is who will care for the hard-to-care for residents that rely on the safety net of the county nursing home when the county nursing home is no longer there? And at what cost?
- **Dual Enforcement/Self Reporting** – Amend Chapter 50, Wis. Stats., by (1) Prohibiting the DHS Division of Quality Assurance (DQA) from issuing a notice of violation (NOV) of a state requirement to a Medicaid/Medicare-certified nursing home if the DQA has cited the facility for a violation of a federal requirement that is based on the same facts (a modified 2003 Assembly Bill 842); and (2) Provide discretion to the DQA on whether to cite a facility for a self-reported violation if the facility has corrected the violation or has made every reasonable effort to prevent and correct the violation but the violation has occurred and remains uncorrected due to circumstances beyond the nursing home’s control. WAHSA has been working with DQA representatives and Senator Kapanke (R- La Crosse) on this proposal.
- **Family Care Integration** – Convert the Family Care program, which “manages” long-term care only, into a fully-integrated managed care program like the Partnership program, which adds Medicare funding to the mix by integrating acute and primary care as well as long-term care.
- **Restructure the Department of Health Services** – Place the Medicaid program and the Family Care program within the same Division of the DHS so that the purchaser of health care and long-term care services and the payor of those service costs are one and the same.
- **Divestment** – Close loopholes in Wisconsin’s Medicaid divestment statutes by mirroring federal law in an attempt to ensure that only those who truly are unable to pay for the care and treatment they need are eligible



*The Wisconsin Association of Homes and Services for the Aging (WAHSA) is a statewide membership organization of not-for-profit corporations principally serving seniors and persons with a disability. Membership is comprised of 188 religious, fraternal, private, and governmental organizations which own, operate and/or sponsor 195 nursing homes, 14 facilities for the developmentally disabled, 87 residential care apartment complexes (RCAC), 95 community-based residential facilities (CBRF), 114 senior apartment complexes, and more than 300 community service agencies which provide programs such as Alzheimer's support, adult day care, child day care, home health, hospice, home care, and Meals on Wheels. Together, WAHSA serves 505 not-for-profit nursing home, assisted living, senior housing, and other community-based providers principally serving elderly persons and individuals with a disability. WAHSA members employ over 38,000 people who provide compassionate care and service to over 48,000 individuals each day.*

*For more information about WAHSA's public policy positions, please contact the WAHSA staff at (608) 255-7060 or by email: John Sauer, Executive Director ([jsauer@wahsa.org](mailto:jsauer@wahsa.org)); Tom Ramsey, Director of Government Relations ([tramsey@wahsa.org](mailto:tramsey@wahsa.org)); or Brian Schoeneck, Financial Services Director ([bschoeneck@wahsa.org](mailto:bschoeneck@wahsa.org)).*