

**Application for**

**Section 1915(b)(4) Waiver**

**Fee-for-Service**

**Selective Contracting Program**

January 1, 2022

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# Application for Section 1915(b) (4) Waiver Fee-for-Service (FFS) Selective Contracting Program

## Facesheet

The **State** of Wisconsin requests a waiver/amendment under the authority of section 1915(b) of the Act. The Medicaid agency will directly operate the waiver.

The **name of the waiver program** § 1915(c) Home and Community-Based Services WI 0414 waiver.

(List each program name if the waiver authorizes more than one program.).

**Type of request.** This is:

☐ an initial request for new waiver. All sections are filled.

☐ a request to amend an existing waiver, which modifies Section/Part ☐

☒ a renewal request ☐

Section A is:

☒ replaced in full

☐ carried over with no changes

☐ changes noted in **BOLD**.

Section B is:

☒ replaced in full

☐ carried over with no changes

☐ changes noted in **BOLD**.

**Effective Dates:** This waiver application requested for a period of 5 years beginning 01/01/2022 and ending 12/31/2026.

### **State Contact:**

The state contact person for this § 1915(b)(4) waiver application is Deborah Rathermel. She can be reached by telephone at 608-266-9366, or by e-mail at deborah.rathermel@dhs.wisconsin.gov.

## Section A – Waiver Program Description

### Part I: Program Overview

#### **Tribal Consultation:**

Describe the efforts the State has made to ensure that Federally-recognized tribes in the State are aware of and have had the opportunity to comment on this waiver proposal.

From July 2020 through March 2021, Wisconsin Department of Health Services (DHS) conducted extensive outreach to its stakeholders, including counties, tribes, participants and families, advocates, and providers. DHS invited stakeholders to provide any ideas they would like the Department to consider in preparing this waiver renewal. The Department received numerous ideas from stakeholders and incorporated ideas into the waiver renewal application.

DHS posted the draft § 1915(c) and § 1915(b)(4) waiver applications on the Department's website from May 3, 2021 to June 4, 2021.

Major Wisconsin newspapers contained public notices that the draft waiver renewal applications were available on the DHS website for a public input period. Members of the public were able to request paper copies of the waiver renewal applications by sending an email request to [DHSCLTSWaiverRenewal@dhs.wisconsin.gov](mailto:DHSCLTSWaiverRenewal@dhs.wisconsin.gov) or mailing a request to the Department.

Wisconsin tribes received written notice on May 3, 2021, that the draft waiver renewal applications were available on the DHS website for the tribal input period. The Department held tribal consultation on May 12, 2020 at the Tribal Health Directors Meeting.

#### **State Response:**

##### **Description:**

Provide a brief description of the proposed selective contracting program or, if this is a request to amend an existing selective contracting waiver, the history of and changes requested to the existing program. Please include the estimated number of enrollees served throughout the waiver.

**State Response:** The Wisconsin Department of Health Services (DHS) is submitting this application request for a § 1915(b)(4) FFS Selective Contracting Waiver to operate concurrently the § 1915(c) Home and Community-Based Services WI 0414 waiver (hereafter referred to as the § 1915(c) waiver) as part of the waiver renewal approval process to become effective on January 1, 2022. The § 1915(b)(4) FFS Selective Contracting Waiver is being submitted to the federal Centers for Medicare and Medicaid Services (CMS) to limit providers of Support and Service Coordination to qualified individuals employed by locally-contracted waiver agencies or by their sub-contracted case management entities.

The § 1915(c) waiver permits DHS to provide an array of home and community-based services and supports to enable children from birth up to 22 years of age, who would otherwise require

institutionalization, to remain in their home and community under the care of the family or guardians.

Since the initial approval of the § 1915(c) waiver in 2004, DHS has operated the waiver through contracts with local county human/social/community services departments. DHS may contract with waiver agencies, including county human/social/community departments, the waiver agency's sub-contracted case management entity, or a tribal waiver agency (abbreviated to locally-contracted waiver agencies for the purpose of this renewal request). Wis. Stat. chapters 48 and 51 delegate the local operations to county departments for several DHS and Department of Children and Families (DCF)-funded and administered programs.

Wisconsin's locally-contracted waiver agencies are responsible for completing the § 1915 (c) waiver eligibility determination, level of care evaluation and reevaluations, Individual Service Plan (ISP) assessments, and authorizing and monitoring waiver services. Restricting Support and Service Coordination to locally-contracted waiver agencies is a key component of the waiver, as it is based on existing governmental infrastructure, the waiver agencies' knowledge and familiarity of local resources, and proximity to participants and providers to arrange, schedule, and monitor necessary approved services and supports. In addition, continuity is provided for the participant and family by one local entity that is responsible for all aspects of the waiver and other program service coordination, including administrative activities.

DHS provides administrative oversight of the waiver program. The Division of Medicaid Services (DMS) has the responsibility for the oversight, monitoring, operations, and issuance of payments for services covered under Wisconsin's State Medicaid Plan and home and community-based waiver services.

All waiver services are prior authorized by designated locally-contracted waiver agencies and delivered to participants by qualified waiver providers. The Individual Service Plan (ISP) is developed by the Support and Service Coordinator (SSC) in partnership with the child, as age-appropriate, and the family or guardian. The SSC gathers current, comprehensive information about the child/youth to determine which services, supports, and environmental modifications will benefit the child, build on the child's strengths, and maximize the child's independence and community participation. All approved waiver services and supports, as well as other non-waiver funded services must be included in the ISP.

In 2020, over 13,000 children were enrolled in the waiver program at any time in the year, with an average monthly enrollment of 11,000 participants. As of July 2021, 39 children are placed on the waitlist. DHS has partnered with locally-contracted waiver agencies to issue the necessary funding to remove children from the waitlist and expedite their enrollment.

### **Waiver Services:**

Please list all existing State approved § 1915(c) waiver services the State will provide through this selective contracting waiver.

**State Response:** CMS-Approved Waiver Service:

Support and Service Coordination for the renewal of WI 0414 for January 2022 will be provided through this selective contracting waiver. All other § 1915(c) covered waiver services will be available to eligible participants by any willing and qualified provider.

## A. Statutory Authority

1. **Waiver Authority.** The State is seeking authority under the following subsection of 1915(b):  
X     **1915(b)(4) - FFS Selective Contracting program**
2. **Sections Waived.** The State requests a waiver of these sections of 1902 of the Social Security Act:
  - a.        **Section 1902(a) (1) - Statewideness**
  - b.        **Section 1902(a) (10) (B) - Comparability of Services**
  - c. X   **Section 1902(a) (23) - Freedom of Choice**
  - d.        **Other Sections of 1902 – (please specify)**

## B. Delivery Systems

1. **Reimbursement.** Payment for the selective contracting program is:

       the same as stipulated in the State Plan

X   different than stipulated in the State Plan (please describe)

**State Response:** The payment methodology for Support and Service Coordination (SSC) involves locally-contracted waiver agencies submitting their administrative and program costs to DHS, wherein the proposed costs are analyzed in relation to allowable costs. The SSC rates are made of three components:

- Direct billable service hours
- Allocated direct service staff time
- Non-salary costs related to SSC activities

The locally-contracted waiver agency's SSC rates must not exceed actual, applicable costs. The locally-contracted waiver agencies must follow the guidelines detailed in Wisconsin's *DHS Accounting Policy and Procedures Manual*. Costs reimbursed through an SSC rate must not be duplicated in other reimbursement claims. No administrative costs are allowed in the SSC rates. The locally-contracted waiver agencies are instructed that direct billable service hours represents the time spent directly benefiting a participant and only includes staff that are providing SSC services directly to participants. Direct Billable Service Hours and Allocated Direct Service hours are both Direct Costs, as outlined in the *DHS Accounting Policy and Procedures Manual*, which can be accessed on the DHS website.

Within context of the SSC rate, "Direct costs" refers to the costs of providing direct SSC services. Direct Billable Service Hours are the employee time claimed as SSC units for

reimbursement. Allocated Direct Service Hours are employee SSC time that directly benefits the waiver participant but is not reimbursed as an SSC unit. Non-salary costs are the overhead and infrastructure costs that can be allocated specifically to SSC time on behalf of the participant.

The locally-contracted waiver agencies negotiate rates with their sub-contacted case management providers based on allowable cost principles and the guidance in the *DHS Accounting Policy and Procedures Manual*.

DHS requires locally-contracted waiver agencies to submit a calculation form certifying their hourly SSC rate on an annual basis, following the requirements described above. DHS fiscal staff thoroughly review each locally-contracted waiver agency's submission and issue an approval notification. The SSC rate is subject to review and auditing to ensure the proper rate was applied.

All SSC claims, whether delivered by a locally-contracted waiver agency employee or their sub-contracted entity, must be prior authorized and is paid by the Department's contracted third-party administrator for waiver claims processing, and submitted to the Department's data warehouse according to Medicaid Management Information Systems (MMIS) encounter claim reporting requirements.

The locally-contracted waiver agencies submit their allowable administrative expenses, such as IT system maintenance costs, equipment costs, waiver provider recruitment, and screening activities, to the Department's Community Aids Reporting System (CARS) for reimbursement. The Division of Enterprise Services (DES) conducts a thorough review.

In addition, as part of the of the Single State Audit, certified public accountants are instructed to review the locally-contracted waiver agencies established rates for several benefit categories, including both licensed and non-licensed providers, to ensure the rates are consistent with the *Accounting Policy and Procedures Manual*, as well as federal accounting principles.

2. **Procurement**. The State will select the contractor in the following manner:

- ☐ **Competitive** procurement
- ☐ **Open** cooperative procurement
- ☐ **Sole source** procurement
- ☒ **Other** (please describe)

**State Response:** DHS may contract with waiver agencies, including county human/social/community departments, the waiver agency's sub-contracted case management entity, or tribal waiver agencies. This includes contracting with county human/social/community departments as governmental entities under Wisconsin's Constitution representing the 72 counties, as per chapters 48 and 51, Wisconsin Statutes, to operate the waiver program according to the Department's established policies and procedures, including performance of Support and Service Coordination functions, under the authority of Act No. 80 of the Public Acts of 1905, as amended.

## C. Restriction of Freedom of Choice

### 1. Provider Limitations.

- ☒ Beneficiaries will be limited to a single provider in their service area.  
☐ Beneficiaries will be given a choice of providers in their service area.

(NOTE: Please indicate the area(s) of the State where the waiver program will be implemented)

State Response: DHS administers the waiver program statewide in all 72 Wisconsin counties. DHS also may contract with tribes, as applicable.

### 2. State Standards.

Detail any difference between the state standards that will be applied under this waiver and those detailed in the State Plan coverage or reimbursement documents.

**State Response:** Waiver service providers are held to the standards described in the requested § 1915(c) waiver WI 0414, as described below:

Support and Service Coordination is the provision of services to locate, manage, coordinate, and monitor all covered supports and services, other program services—regardless of their funding source—and informal community supports for the child and family. The Support and Service Coordinator, a qualified individual employed by waiver agency, including county human/social/community departments, the waiver agency’s sub-contracted case management entity, or a tribal waiver agency, must assure that waiver services are delivered in accordance with program requirements.

The primary responsibility of the Support and Service Coordinator is promoting the child’s health, safety, welfare and inclusion in their home and community, which is accomplished through a broad range of activities, including: 1) General activities 2) Service plan development and execution 3) Programmatic and developmental transitions and 4) Cross-system coordination.

Support and Service Coordinators facilitate and coordinate access to all services and supports, both formal and informal, which are needed by the child and family to meet their identified outcomes. This includes managing, coordinating and monitoring the comprehensive person-centered plan, as well as informal supports, consistent with the child and family’s identified outcomes, in a planned, coordinated, and cost-effective manner. The Support and Service Coordinator assures that services are delivered in accordance with waiver program requirements and the child’s identified outcomes.

Support and Service Coordinators assess the family’s needs so they may adequately support the child in the home or other community setting. The Support and Service Coordinator facilitates establishing and maintaining the child and family’s individualized



support system. Services provided to children include assuring effective implementation of the child and family's support plan; developing, implementing, and updating the family-centered transition plan; and coordinating across systems to meet the identified outcomes.

The Support and Service Coordinator's role includes facilitating programmatic and developmental transitions. The Support and Service Coordinator is responsible for providing transitional support during various childhood transitions, such as the child transitioning to middle school and assisting the child or youth pursue vocational and/or education opportunities. It also includes supporting transition planning processes for youth transitioning into an adult long-term care program; discussing options if the youth is not transitioning an adult long-term care program; and discussing changes to parents' legal authority to make decisions for their youth when that youth turns 18 years old, among other transition responsibilities.

This service also includes assisting applicants and participants with establishing Medicaid financial, nonfinancial and functional eligibility, and all other aspects of an individual's waiver eligibility. Support and Service Coordination also includes assisting the participant to access Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit (known as HealthCheck in Wisconsin), Medicaid State Plan services, as well as school-based special education services through the Department of Public Instruction, and rehabilitation or college and career ready services through the Department of Workforce Development, Division of Rehabilitation. Support and Services Coordinators also refer the participant and the family and help facilitate access to other mental health, public health, and social services programs, as well as locating resources for natural supports. Support and Service Coordinators are also mandated reporters for child abuse and neglect and must issue referrals to child protection and child welfare services, when warranted.

**Limits on the amount, frequency or duration of this service:**

This service excludes the optional targeted case management benefit under the Medicaid State Plan.

For participants intending to enroll in the program, Support and Service Coordination can be provided up to 90 days (or longer with prior DHS approval) prior to the date the participant is enrolled in the waiver program to allow for services delivered for the purpose of establishing participant eligibility and enrollment.

This service may not duplicate any service that is provided under another waiver service category.

Federal requirements prohibit the waiver from funding any service that could be furnished under the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit, which provides comprehensive and preventive health care services for children under age 21 who are enrolled in Medicaid, or the Medicaid State Plan services. The waiver is also the payer of last resort and coordination of benefits (COB) must occur with private health insurance, special education services funded under the Individuals with

Disabilities Education Act (IDEA), or vocational rehabilitation services funded under section 110, as amended in 2014, of the Rehabilitation Act of 1973 (29 U.S.C. 730), and Wisconsin's income maintenance programs, as appropriate, including Wisconsin Shares Child Care Subsidy Program, Wisconsin Home Energy Assistance Program (WHEAP), and FoodShare Wisconsin. Documentation must be maintained in the file of each waiver participant demonstrating that the service does not supplant or duplicate supports or services that are otherwise available through one of these other funding sources.

**Provider Qualifications:**

The SSC, whether employed by the locally-contracted waiver agency or by a sub-contracted entity, must meet any one of the following standards:

- The skills and knowledge typically acquired through a course of study and practice experience that meets requirements for state certification/licensure as a social worker and also one year experience with the target group(s) for which they are employed.
- A course of study leading to a BA/BS degree in a health or human services-related field and one year of experience working with persons of the specific target group(s) for which they are employed.
- An associate's degree in a human services-related field and two years of experience working with persons of the specific target group(s) for which they are employed.
- Any combination of training in a health or human services-related field and experience in long-term care case management and/or case management for individuals with disabilities or special needs that totals four years. Examples include but are not limited to: one year of coursework/training in a human services-related field and three years of experience in long-term care case management, or four years of experience in long-term support case management.

**Verification of Provider Qualifications:**

DHS implements a centralized provider screening and credential verification process. The DHS quality monitoring and record review process ensures only registered, screened, and qualified providers are authorized to deliver waiver services.

The locally-contracted waiver agency is responsible for conducting appropriate screening activities, making appropriate hiring decisions, and terminating employment if the SSC is no longer qualified. In the event the waiver agency sub-contracts for Support and Service Coordination, the locally-contracted waiver agency retains ultimate responsibility for assure the qualifications of its sub-contractors.

In addition, all Support and Service Coordinators – whether employed by the locally-contracted waiver agency or their sub-contractor – must complete the DHS-required introductory training and pass the competency test and the DCF Mandated Reporter Training prior to billing for SSC service through the TPA claims process.

**Frequency of Verification:**

DHS conducts provider screening and credential verification upon the provider's application to register as a waiver provider and every four years, thereafter, at a minimum.

**State Monitoring:**

The Department's contracted quality review organization conducts annual onsite record reviews at the locally-contracted waiver agencies, and verifies the training and credential requirements for both locally-contracted waiver agency Support and Service Coordinators and those employed by the sub-contracted case management entity. Randomly selected participant and Support and Service Coordination claims records will be reviewed as part of the contracted quality review organization's onsite quality assurance and monitoring process, to assure compliance for all selected Support and Service Coordinator records.

**D. Populations Affected by Waiver**

(May be modified as needed to fit the State's specific circumstances)

1. **Included Populations.** The following populations are included in the waiver:

- ☐ Section 1931 Children and Related Populations
- ☐ Section 1931 Adults and Related Populations
- ☐ Blind/Disabled Adults and Related Populations
- ☐ Blind/Disabled Children and Related Populations
- ☐ Aged and Related Populations
- ☐ Foster Care Children
- ☐ Title XXI CHIP Children
- ☒ Other – all participants enrolled in the § 1915(c) waiver, which includes beneficiaries who are Medicare and Medicaid dually eligible.

2. **Excluded Populations.** Indicate if any of the following populations are excluded from participating in the waiver:

- ☐ Dual Eligibles
- ☐ Poverty Level Pregnant Women
- ☐ Individuals with other insurance
- ☐ Individuals residing in a nursing facility or ICF/MR
- ☐ Individuals enrolled in a managed care program
- ☐ Individuals participating in a HCBS Waiver program
- ☐ American Indians/Alaskan Natives
- ☐ Special Needs Children (State Defined). Please provide this definition.
- ☐ Individuals receiving retroactive eligibility ☐ Other (Please define):

This note is added for clarity: Within the group of beneficiaries enrolled in the HCBS § 1915(c) waiver, there are no excluded populations.

## Part II: Access, Provider Capacity and Utilization Standards

### A. Timely Access Standards

Describe the standard that the State will adopt (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has adopted) defining timely Medicaid beneficiary access to the contracted services, *i.e.*, what constitutes timely access to the service?

1. How does the State measure (or propose to measure) the timeliness of Medicaid beneficiary access to the services covered under the selective contracting program?

**State Response:** DHS uses the performance measures listed in its § 1915(c) waiver renewal application as a method to measure the timeliness of a waiver participant's access to the services covered under the selective contracting program. The Department has developed the following performance measures that focus on access to timely and quality Support and Service Coordination by waiver applicants and participants. Relevant performance measures applying to SSC activities include the following:

Participants or their guardians, as applicable, sign a notification of their rights at least annually.

Numerator= Number of records in the sample with evidence that participants or their guardians, as applicable, signed a notification of their rights at least annually.

Denominator= Total number of records reviewed in the sample.

*This PM is used to monitor and assure compliance with the quality of the SSC's services.*

Children/youth are enrolled according to DHS policy and established timeframes.

Numerator= Number of children/youth whose enrollment is effectuated according to DHS policy and established timeframes.

Denominator= Total number of children/youth eligible for enrollment according to DHS policy.

*This PM is used to monitor and assure compliance with the timeliness of the SSC's services.*

Applicants have an initial functional screen completed according to DHS-established timelines from the date of referral.

Numerator= Number of new applicants whose completed initial functional screen LOC determination was determined according to DHS-established timelines from the date of referral.

Denominator= Total number of new applicants.

*This PM is used to monitor the timeliness and quality of the LOC evaluation.*

All new enrollees must have an eligible level of care prior to enrollment.

Numerator= Number of new enrollees enrolled in the program who have an eligible level of care.

Denominator= Total number of new enrollees.

*This PM is used to monitor and assure compliance with the quality of the SSC's services.*

Participants' level of care is re-evaluated annually.

Numerator= Number of participants whose CLTS Functional Screen was completed annually.

Denominator= Total number of participants.

*This PM is used to monitor and assure compliance with the timeliness of screening activities.*

An applicant's initial functional screen was completed according to the clinical instructions resulting in an appropriate level of care determination.

Numerator= Number of initial applications where the functional screen was completed according to the clinical instructions resulting in an appropriate level of care.

Denominator= Total number of initial applications with a completed functional screen.

*This PM is used to monitor and assure compliance with the quality of screening activities.*

Providers initially meet DHS required licensure and/or certification standards and are listed on the Provider Registry.

Numerator= Number of providers in the sample who are listed on the Provider Registry and obtained appropriate licensure and/or certification.

Denominator= Number of licensed and/or certified providers reviewed in the sample.

*This PM is used to monitor compliance in assuring the SSC initially meets the approved provider licensure requirements.*

Providers continuously meet required licensure and/or certification standards and are listed on the Provider Registry.

Numerator= Number of providers in the sample who are listed on the Provider Registry and continuously maintained licensure and/or certification.

Denominator= Number of licensed and/or certified providers reviewed in the sample.

*This PM is used to monitor compliance with ensuring the SSC continuously meets the approved provider licensure requirements.*

Most recent ISP addresses participant's assessed needs, health and safety risks, personal goals, and outcomes through the provision of waiver and non-waiver services.

Numerator= Number of most recent ISPs reviewed that addressed assessed needs, health and safety risks, personal goals, and outcomes through waiver and/or non-waiver services.

Denominator= Total number of most recent ISPs reviewed in the sample.

*This PM is used to monitor the quality of the SSC's development of ISPs.*

Initial ISPs are completed according to DHS-established timelines.

Numerator= Number of initial ISPs that are completed according to DHS-established timelines.

Denominator= Total number of initial ISPs reviewed.

*This PM is used to monitor the timeliness of the SSC's development of ISPs.*

ISPs are updated / revised by the SSC at least annually or as warranted by changes in the waiver participant's needs.

Numerator= Number of ISPs reviewed in the sample that indicate the ISP was updated by the SSC at least annually or as warranted by changes in the waiver participant's needs.

Denominator= Total number of ISPs reviewed in the sample.

*This PM is used to monitor the timeliness and quality of the SSC's development of ISPs.*

Services were delivered consistent with the ISP.

Numerator= Number of ISPs in the sample where evidence indicates the waiver services were delivered consistent with the ISP.

Denominator= Total number of ISPs reviewed in the sample.

*This PM is used to monitor the quality of the SSC's activities in issuing appropriate service authorizations that are consistent with the ISP.*

Participants, parents and/or guardians were afforded choice between and among waiver services and providers.

Numerator= Number of ISPs reviewed that includes clear documentation that the SSC offered choice of waiver services and providers.

Denominator= Total number of ISPs reviewed in the sample.

*This PM is used to monitor the quality of the SSC's services in offering choice of waiver services and providers.*

Parent/guardian input was used to develop the ISP based on the child and family's needs and goals.

Numerator= Number of surveys in the sample that reflect parent/guardian input was used to develop the ISP.

Denominator= Total number of surveys reviewed in the sample with responses to the inquiry about input for ISP development.

*This PM is used to monitor whether the SSC used family input during the ISP development to ensure quality of the SSC's services.*

The participant's parents or guardians were provided information on how to report abuse, neglect, exploitation, and other incidents.

Numerator= Number of records in the sample with evidence that participants' parents or guardians were provided information on how to report abuse, neglect, exploitation, and other incidents.

Denominator= Total number of records reviewed in the sample.

*This PM is used to monitor the SSC's compliance with incident reporting requirements.*

Incident reports are submitted to DHS within required timeframe, based on DHS-established incident reporting requirements.

Numerator= Number of incidents reports that were submitted to DHS within the required timeframe.

Denominator= Total number of incidents reports.

*This PM is used to monitor the SSC's compliance with incident reporting timeliness requirements.*

Incident reports are completed and submitted to DHS for each identified incident.

Numerator= Number of records in the sample with identified incidents that had a completed incident report that was submitted to DHS.

Denominator= Total number of records with identified incidents reviewed in the sample.

*This PM is used to monitor the SSC's compliance with incident reporting requirements.*

Incidents of abuse, neglect, exploitation, and unexplained death are effectively resolved and prevented to the extent possible.

Numerator= Number of incident reports of abuse, neglect, exploitation, and unexplained death where the documented prevention strategy of an incident effectively resolves the incident and prevents further similar incidents to the extent possible.

Denominator= Total number of incident reports of abuse, neglect, exploitation, and unexplained death.

*This PM is used to monitor the SSC's compliance with incident reporting requirements.*

The record review process is conducted onsite at locally-contracted waiver agencies. The annual record review tool, which is administered by the Department's contracted quality review organization, includes several questions that focus on Support and Service Coordination activities. The record review questions measure compliance with the quality and timeliness requirements for SSCs and may include, but is not limited to:

- Were the participant's parents or guardians contacted within DHS-established timeframes to schedule a Functional Screen?

- Did the SSC gather the ISP signatures by all appropriate parties within DHS established timeframes from when the SSC and family agreed to the ISP?
- Did the child receive services listed on the ISP, as evidence by services billed on the TPA Claims Report?
- Did the SSC review and update the ISP and Outcomes with the child and parent(s) at least once every 6 months during the review period?
- During the review period, did contact between the SSC and the child/family meet the minimum required by waiver guidelines?
- Did the SSC revise or update the ISP following a significant change in the child's needs?

While the Department does not prescribe waiver participant caseloads for Support and Service Coordinators that are employed by locally-contracted waiver agencies, DHS does mandate timeliness standards for enrollment and service plan development for those who meet enrollment eligibility criteria. Please see the following details regarding timely enrollment and service plan development:

- When the child meets the eligibility criteria for enrollment, the SSC must contact the child/youth's parents or guardians within 10 days of identification of referral or when the child/youth reaches the top of the waitlist to schedule a Functional Screen.
- The participant's waiver re-certification and level of care re-evaluation must be completed annually.
- The SSC must develop an Individualized Service Plan (ISP) and Outcomes form identifying appropriate services to address the child and family's identified outcomes within 60 days from the date the Department identifies the child for enrollment.
- At a minimum, the SSC must review and update the ISP every six months during a face-to-face visit with the child or youth and the family; however, the ISP must be reviewed as needed.

During the annual onsite record review conducted by the contracted quality review organization and other monitoring activities, the quality and timeliness of the applicant's access to Support and Service Coordination services will be reviewed and measured.

Additionally, DHS recognizes the importance of family voice and experience in directing continuous quality and program opportunities. DHS administers two survey tools to collect information from families about their experience in the waiver program: the National Core Indicators (NCI) Child Family Survey and a Family Survey. Survey topics include: Community participation; Family voice; Living your best life; Natural supports; Program information; Rights and appeals; Satisfaction; Services and Supports; and Transition. These surveys help the state ensure that this process is working for families and identify potential barriers that families may face. DHS also has a very active Children's Council that includes parents of participants and other advocates who continuously contribute to the quality and consistency of the program and its supports and services.



2. Describe the remedies the State has or will put in place in the event that Medicaid beneficiaries are unable to access the contracted service in a timely fashion.

**State Response:** If deficiencies are identified during the annual onsite record reviews, Single State Audit process, or other monitoring activities, the locally-contracted waiver agency will receive increased oversight by DHS to remediate the deficiencies. This may include monthly calls, face-to-face meetings, mandatory refresher training, or technical assistance.

In instances where the technical assistance and increased oversight activities do not resolve the deficiency, the Department's response is elevated and includes directing the locally-contracted waiver agency to develop and submit a corrective action plan (CAP), which would include the steps to resolve the issue and remediate future risks.

DHS staff review the CAP and issues a decision on whether the CAP is acceptable within 30 days of receipt. The Department then conducts follow-up activities to ensure that the locally-contracted waiver agency has remediated all the identified systemic deficiencies and brought them into compliance within 60 calendar days following the Department's approval of the CAP.

In addition, DHS issues a similar summary report and request for a CAP if systemic issues are identified during other locally-contracted waiver agency monitoring activities that substantiate operational deficiencies (e.g., Single State Audit, family, participant, or provider complaints, fair hearing requests, etc.).

Failure to meet the purposes and conditions or requirements specified in the § 1915(c), § 1915(b)(4), the Medicaid Home and Community-Based (HCBS) Waiver Manual, or applicable Numbered or Information Memos and other policy communications specific to the waiver may result in the locally-contracted waiver agency losing administrative funds and/or the locally-contracted waiver agency being required to repay funds.

## **B. Provider Capacity Standards**

Describe how the State will ensure (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has ensured) that its selective contracting program provides a sufficient supply of contracted providers to meet Medicaid beneficiaries' needs.

1. Provide a detailed capacity analysis of the number of providers (e.g., by type, or number of beds for facility-based programs), or vehicles (by type, per contractor for non-emergency transportation programs), needed per location or region to assure sufficient capacity under the selective contracting program.

**State Response:** All waiver program enrollees have access to case management services through Wisconsin's locally-contracted waiver agencies. Contracts require waiver agencies to deliver timely case management services to all § 1915(c) waiver program participants. Locally-contracted waiver agencies may sub-contract with case management entities, who must comply with all of the SSC provider qualifications and service delivery requirements, to manage caseload capacity and workload requirements.

Support and Services Coordination and provider standards are described in Appendix C of the § 1915(c) waiver.

To ensure consistent statewide Support and Services Coordination delivery, DHS contractually requires waiver agencies to comply with all requirements detailed in the HCBS Waiver federal regulations, the Medicaid Home and Community-Based Services Waiver Manual, applicable Numbered or Information Memos and other policy communications specific to the waiver program.

DHS holds regular statewide teleconferences with all locally-contracted waiver agencies to review and discuss waiver program policy, procedure or fiscal updates. Each locally-contracted waiver agency has an assigned DHS staff member, who regularly holds meetings and conference calls with supervisory and SSC staff to provide technical assistance and discuss issues, such as policy changes, reporting requirements, capacity issues, and other topics identified as part of the Department's monitoring and tracking efforts.

DHS also tracks Support and Service Coordination access and delivery through the Medicaid Management Information System (MMIS) authorization and claims data. DHS monitors access to timely and quality case management through various strategies. The quality assurance reviews include evaluating the timeliness, availability, and quality of the case management services.

2. Describe how the State will evaluate and ensure on an ongoing basis that providers are appropriately distributed throughout the geographic regions covered by the selective contracting program so that Medicaid beneficiaries have sufficient and timely access throughout the regions affected by the program.

**State Response:** Waiver program enrollees have access to case management services through Wisconsin's locally-contracted waiver agencies. DHS requires that locally-contracted waiver agencies provide case management services for all § 1915(c) waiver enrollees. Locally-contracted waiver agencies may sub-contract with qualified private vendors for case management services in order to assist in managing capacity and workload requirements of the Support and Service Coordinators. In some instances, county boards may limit the locally-contracted waiver agency's ability to directly employ Support and Service Coordinators. However, all waiver agencies have the ability to sub-contract with private case management entities to ensure compliance

with the Department's requirements for access and timely delivery of Support and Service Coordination.

DHS collects the number of FTE Support and Service Coordinators for each waiver agency on an annual basis. This data is used by DHS to conduct oversight activities to ensure that waiver agencies have sufficient staffing and Support and Service Coordinators are appropriately distributed throughout Wisconsin. This helps the State monitor and ensure that waiver participants have sufficient and timely access.

DHS has not established minimum SSC caseload requirements, due to workload differences that can occur with the required case management activities for children (e.g., acuity levels, challenging behaviors, family dynamics, involvement with criminal justice, child protection services, coordination with school or DVR services, etc.).

There are a number of sub-contracted case management entities located throughout Wisconsin that currently deliver Support and Service Coordination through trained and qualified case management staff.

If a locally-contracted waiver agency does not meet the Department's requirements for timely access and delivery of Support and Service Coordination, DHS can require the locally-contracted waiver agency to resolve issues and remediate barriers.

## **C. Utilization Standards**

Describe the State's utilization standards specific to the selective contracting program.

1. How will the State (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State) regularly monitor(s) the selective contracting program to determine appropriate Medicaid beneficiary utilization, as defined by the utilization standard described above?

### **State Response:**

The Department regularly monitors participants' access to the timely delivery of quality Support and Service Coordination through a variety of methods. This includes an annual record review process, which is completed by the Department's contracted quality review organization. A statistically reliable randomly selected sample of participant records is thoroughly reviewed to ensure program compliance.

While the Department has not established requirements for locally-contracted waiver agencies to report their informal grievance or dispute activities that are used to mediate or resolve complaints at the local level, DHS does mandate that these local grievance processes cannot interfere with an applicant's or participant's right to file a formal fair hearing request with the Department of Administration's Division of

Hearings and Appeals (DHA). DHS is notified regarding all fair hearing requests filed with DHA involving the program's waiver participants.

DHS may conduct monitoring activities through a variety of methods, including a review of encounter authorization and claim data. DHS also reviews other data elements, such as the timeline for the child's enrollment and the timeline for completing and signing the ISP. DHS also compares services listed on the participant's ISP to the TPA authorization and claim data.

2. Describe the remedies the State has or will put in place in the event that Medicaid beneficiary utilization falls below the utilization standards described above.

**State Response:** If deficiencies are identified during the record review process or other monitoring and remediation activities, DHS may provide increased oversight activities, such as monthly calls, increased technical assistance, or other monitoring activities.

When there are systemic issues regarding access to Support and Service Coordination or under-utilization is identified, DHS will notify the locally-contracted waiver agency regarding the deficiencies, and the waiver agency must submit a plan of correction within 30 calendar days that details the necessary activities to remediate the deficiency. DHS will review and approve the locally-contracted waiver agency's proposed plan of correction. DHS will also monitor the CAP implementation to assure the waiver agency has successfully remedied the issues.

The Department contracts with a quality review organization to conduct the record reviews. The contracted quality review organization applies the DHS-approved record review tool to ensure locally-contracted waiver agencies (or their sub-contracted case management vendors) comply with the federal assurances and sub-assurances.

The contracted quality review organization conducts record reviews with locally-contracted waiver agencies that utilize sub-contracted SSC providers. Locally-contracted waiver agencies that utilize sub-contracted SSCs are included in the randomized representative sample.

## Part III: Quality

### A. Quality Standards and Contract Monitoring

1. Describe the State's quality measurement standards specific to the selective contracting program.
  - a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):
    - i. Regularly monitor(s) the contracted providers to determine compliance with the State's quality standards for the selective contracting program.

**State's Response:** Since the proposal for this § 1915(b)(4) waiver will operate concurrently with the § 1915(c) waiver, evidence of the monitoring activities will be submitted as part of the annual CMS 372 Report as documentation of compliance with the CMS-approved performance measures.

- ii. Take(s) corrective action if there is a failure to comply.

**State Response:** The process for monitoring, and addressing compliance deficiencies through corrective action plan activities is described in the response to question 2, listed below.

2. Describe the State's contract monitoring process specific to the selective contracting program.
  - a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):
    - i. Regularly monitor(s) the contracted providers to determine compliance with the contractual requirements of the selective contracting program.

**State Response:** The locally-contracted waiver agencies and their sub-contracted case management agencies must adhere to the same standards of care for each waiver participant that is being served. Each locally-contracted waiver agency must meet the standards detailed in their contract, the Medicaid Home and Community-Based Services Waiver Manual, applicable Numbered or Information Memos and other policy communications specific to the waiver program.

The Department is responsible for the administering and monitoring of the contractual operating requirements that apply to all locally-contracted waiver agencies (including sub-contracted case management entities).

Data collection and reporting mechanisms related to performance measures are used to monitor and ensure compliance with waiver policies, procedures, and

requirements within the six assurance areas defined by CMS. The performance measures are defined in the 1915(c) waiver renewal application and will also serve to ensure compliance with this 1915(b)(4) waiver application.

DHS staff are assigned to specific regions within Wisconsin and provide ongoing consultation and technical assistance to the locally-contracted waiver agencies. If compliance issues are identified during this process, they are reported to DHS staff for determination of further corrective actions or sanctions.

The DHS-contracted quality review organization is responsible for carrying out the annual record review process, including the random selection of a statistically representative sample of participants to ensure all identified performance measures have been met.

The waiver participant records are selected by the contracted quality review organization using a stratified, representative random sample. Each locally-contracted waiver agency is a strata to ensure that cases are reviewed from each waiver agency. The contracted quality review organization uses a 50% mean, as this will give the largest sample size. The bound error is 5%, resulting in accuracy of +/- 5%.

The contracted quality review organization administers the DHS-approved record review tool to ensure locally-contracted waiver agencies (or their sub-contracted case management entity) fully comply with all federal assurances and sub-assurances.

DHS provides administrative oversight to locally-contracted waiver agencies to address the deficiencies that were discovered, conducts follow-up monitoring to ensure appropriate remediation occurs, and issues sanctions or disallowances when needed.

The quality assurance process includes the review of the locally-contracted waiver agency's (or sub-contracted case management entity) personnel records to ensure Support and Service Coordinators meet the DHS qualified provider licensure and credential standards, screening requirements, and have successfully completed the DHS-approved training and competency testing requirements prior to delivering case management services.

In addition to the formal onsite review by the contracted quality review organization, DHS staff provides ongoing technical assistance and oversight of waiver program operations. Through regular communication and oversight, areas for improvement are identified and remediated through DHS training and technical assistance to the locally-contracted waiver agencies and their sub-contracted case management agencies. DHS will apply the same standards and quality assurance activities to all Support and Service Coordinators, whether employed directly by the locally-contracted waiver agency or a sub-contracted entity.

- ii. Take(s) corrective action if there is a failure to comply.

State Response: Issuing corrective action for identified deficiencies may occur as a result of the annual onsite record review process conducted by the contracted quality review organization, the Single State Audit process, or informal complaints. The locally-contracted waiver agency is contacted and may be asked to provide missing documentation or provide a good cause justification. If the deficiency is not remediated, a CAP is issued and the locally-contracted waiver agency is required to provide any missing documentation or remediation response within 30 days. DHS staff review the corrective action plan and issues a determination within 30 days of receipt. Follow-up activities are conducted to ensure that the locally-contracted waiver agency has remediated all the identified systemic deficiencies and brought them into compliance within 60 calendar days following the Department's approval of the CAP.

Fair hearing requests from applicants and participants are filed with the Division of Hearings and Appeals (DHA) and reviewed as part of ongoing monitoring activities. If the fair hearing request summary illustrates that a locally-contracted waiver agency did not comply with DHS-established requirements, DHS will notify the agency to correct and remediate the deficiency without waiting for DHA to schedule, hold, and issue a fair hearing decision.

Fair hearing requests that indicate a pattern of non-compliance with timely access, quality of the eligibility determinations, or Support and Service Coordination decisions will result in increased monitoring and follow-up remediation activities, including corrective action plans.

To ensure consistent program operations by locally-contracted waiver agencies, on a statewide basis, the Department includes the waiver program standards and requirements in its contracts, Medicaid Home and Community-Based Services Waiver Manual, applicable Numbered or Information Memos and other policy communications specific to the waiver program.

In addition to these written directives, DHS holds regular teleconferences with the locally-contracted waiver agencies to review and discuss programmatic requirements. DHS staff are assigned to each region in the state to ensure consistent local operations, respond to questions from the locally-contracted waiver agencies, and provide technical assistance, when necessary.

DHS' Bureau of Children's Services has the lead responsibility for the administration and oversight of the waiver program. This includes ensuring that the waiver program meets the federal assurances and annual and five-year reporting requirements. The Bureau of Children's Services oversees the quality findings related to enrollment, functional eligibility and other programmatic compliance. The Bureau of Children's Services also works closely with other bureaus in the Department to ensure that all fiscal requirements are in

compliance, such as monitoring the waiver service claims, as processed by the Department's contracted TPA vendor.

## **B. Coordination and Continuity of Care Standards**

Describe how the State assures that coordination and continuity of care is not negatively impacted by the selective contracting program.

**State Response:** As previously noted, this § 1915(b)(4) waiver application does not impact the current manner in which the approved §1915(c) waiver has operated since its inception in 2004. Under Wis. Stats, chapters 51, 36, 48, and 938, designated departments are mandated to comply with local waiver program operational requirements, including the development of an ISP for all participants residing in their jurisdiction.

Chapter 48, also known as “The Children’s Code” applies to other locally-delivered services and crisis interventions to best meet the needs of the child and family, such as the Birth to 3 Program, Children’s Community Option Program, child protection services, child welfare services, juvenile justice services, mental health services, and income maintenance services. Based on these statutory requirements, the Support and Service Coordinators are the most experienced and knowledgeable about the comprehensive program services that are available at the local level, as well as unpaid natural community supports for children and families.

Having locally-contracted waiver agencies as sole providers of Support and Service Coordination assures waiver participants receive comprehensive coordination of services that will best meet the complex needs of children with disabilities and their families.

Waiver applicants or participants may or may not be aware of if their Support and Service Coordinator is employed by the locally-contracted waiver agency or a sub-contracted case management entity; however, there should be no difference in the level or quality of Support and Service Coordination activities, service planning, or filing a fair hearing request.

## **Part IV: Program Operations**

### **A. Beneficiary Information**

Describe how beneficiaries will get information about the selective contracting program.

**State Response:** The DHS website provides information about the waiver program and directs individuals to their locally-contracted waiver agency to determine eligibility and access covered waiver services through the Support and Service Coordinator. The website also includes other related supports and services, such as the Birth to 3 Program, the Children’s Community Options Program, and referral and resource information via the regional Division of Public Health’s Children and Youth with Special Health Care Needs. In



addition, Wisconsin's locally-contracted waiver agencies have established their own local websites, which includes their local contact information.

## **B. Individuals with Special Needs.**

  X   The State has special processes in place for persons with special needs (Please provide detail).

**State Response:** Each locally-contracted waiver agency must have an intake unit or function that acts as the “front door” of the waiver agency’s operations and conveys a helpful and informative process for applicants and participants wishing to access waiver services, as well as other services that are available within the department.

Locally-contracted waiver agencies must assure equal access for people with diverse cultural backgrounds, language of choice, and/or Limited English Proficiency, as per federal civil rights requirements, and that services and supports provided by the locally-contracted waiver agency demonstrate a commitment to the population’s linguistic and cultural competencies to assure meaningful participation for all people in the service area.

To develop the ISP with the participant and the family, the Support and Service Coordinator uses a step-by-step team approach to facilitate dialogue between Support and Service Coordinators and families using a family-centered, collaborative decision-making framework to develop comprehensive outcome-based support plans. This approach recognizes and maximizes the child and family’s capacities, resiliency, and unique abilities, and promotes self-determination and inclusion in all facets of family and community life.

## Section B – Waiver Cost-Effectiveness & Efficiency

### Efficient and economic provision of covered care and services:

1. Provide a description of the State’s efficient and economic provision of covered care and services.

#### State’s Response:

Wisconsin administers many health and human services programs through its local human service agencies, including established infrastructure for such things as adult and child protection and mental health services. Waiver agencies have delegated responsibilities for certain administrative activities including Medicaid eligibility, related Income Maintenance activities, and preadmissions screening.

Limiting Support and Service Coordination in the 1915(c) waiver to locally-contracted waiver agencies assures efficiency and economic provision of covered care and services in keeping this function tied to the related responsibilities waiver agencies perform under their contract. Administrative activities carried out by the waiver agencies are directly associated with the coordination of service coordination tasks in the waiver programs.

As per this 1915(b)(4) waiver application request, Wisconsin’s actual waiver expenditures will continue to meet the federal cost effectiveness test.

The cost estimate assuming selective contracting under the 1915(b) waiver is identical to the projected Support and Service Coordination cost in Appendix J of 1915(c) waiver WI.0414. The projection is based on actual program Support and Service Coordination encounter data over the State Fiscal Year 2020 (SFY) period 1 July 2019 – 30 June 2020. Costs are trended forward using the Consumer Price Index for All Items. A trend rate of 0.89% is applied for 1 July 2020 – 31 December 2020. A trend rate of 1.78% is applied for all subsequent years.

The pre-waiver cost estimate under “any willing provider” conditions assumes the same unit cost and cost trends as the selective contracting projection under the 1915(b)(4) waiver; however, average units per user is based on CY2014 experience in the former 1915(c) waivers WI.0154 (Community Options Program) and WI.0229 (Community Integration Program). Support and Service Coordination in waivers WI.0154 and WI.0229 was historically provided using a larger proportion of private care management entities, similar to what would be experienced in the program under “any willing provider” conditions without the 1915(b)(4) waiver.

2. Project the waiver expenditures for the upcoming waiver period.

Year 1 from: 01/01/2022 to 12/31/2022

Trend rate from current expenditures (or historical figures):

From Base Year SFY2020 to Year 1 CY2022 (1.5 years): 2.69%

Estimated Number of Enrollees	Estimated Units Per User	Estimated Cost Per Unit	Estimated Total Annual Cost
15,852	39.76	\$91.62	<b>\$57,744,085</b>
15,852	29.29	\$91.62	<b>\$42,541,385</b>

Projected pre-waiver cost \$57,744,085  
 Projected Waiver cost \$42,541,385  
 Difference: \$15,202,700

Year 2 from: 01/01/2023 to 12/31/2023

Trend Rate from Year 1 CY2022 to Year 2 CY2023: 1.78%

Estimated Number of Enrollees	Estimated Units Per User	Estimated Cost Per Unit	Estimated Total Annual Cost
16,849	39.94	\$93.25	<b>\$62,749,564</b>
16,849	29.42	\$93.25	<b>\$46,229,035</b>

Projected pre-waiver cost \$62,749,564  
 Projected Waiver cost \$46,229,035  
 Difference: \$16,520,529

Year 3 from: 01/01/2024 to 12/31/2024

*(For renewals, use trend rate from previous year and claims data from the CMS-64)*

Estimated Number of Enrollees	Estimated Units Per User	Estimated Cost Per Unit	Estimated Total Annual Cost
17,734	40.08	\$94.91	<b>\$67,460,374</b>
17,734	29.53	\$94.91	<b>\$49,699,597</b>

Projected pre-waiver cost: \$67,460,374  
 Projected Waiver cost \$49,699,597  
 Difference: \$17,760,778

Year 4 from: 01/01/2025 to 12/31/2025

*(For renewals, use trend rate from previous year and claims data from the CMS-64)*

Estimated Number of Enrollees	Estimated Units Per User	Estimated Cost Per Unit	Estimated Total Annual Cost
18,520	40.19	\$96.60	<b>\$71,910,898</b>
18,520	29.61	\$96.60	<b>\$52,978,399</b>

Projected pre-waiver cost \$71,910,898  
 Projected Waiver cost \$52,978,399  
 Difference: \$18,932,499

Year 5 from: 01/01/2026 to 12/31/2026

*(For renewals, use trend rate from previous year and claims data from the CMS-64)*

Estimated Number of Enrollees	Estimated Units Per User	Estimated Cost Per Unit	Estimated Total Annual Cost
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19,218	40.29	\$98.32	<b>\$76,125,951</b>
19,218	29.68	\$98.32	<b>\$56,083,725</b>

Projected pre-waiver cost	<u>\$76,125,951</u>
Projected Waiver cost	<u>\$56,083,725</u>
Difference:	<u>\$20,042,226</u>