



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Draft METRO PARATRANSIT MEDICAID WAIVER FUNDING & POLICY REVIEW AD HOC COMMITTEE

Monday, April 3, 2017

5:00 PM

210 Martin Luther King, Jr. Blvd.
Room 103A (Clerk's Conference Rm)

1. CALL TO ORDER / ROLL CALL

Staff: Nancy Senn, Crystal Martin, Ann Schroeder

Guest: Doug Hunt

Co-Chair Kaysen called the meeting to order at 5:02 PM.

Present: 6 - Rebecca Kemble; Margaret Bergamini; Ken Golden; Carl D. DuRocher; Mary E. Jacobs and L. Jesse Kaysen

Excused: 2 - Tim Gruber and James D. Cobb

2. APPROVAL OF MINUTES

Golden moved approval of the minutes; Kemble seconded. The motion passed by voice vote/other.

3. PUBLIC APPEARANCES

There were no public appearances.

4. DISCLOSURES AND RECUSALS

There were no disclosures or recusals.

5. 46707 Financial Scenarios

Attachments:

[2016 Paratransit Data.pdf](#)
[Family Care Funding and Ridership Impact Scenarios.pdf](#)
[Impact Potential A.pdf](#)
[Impact Potential C.pdf](#)
[Impact Potential E.pdf](#)

Senn said there are two scenarios and a start with 2016 data. Senn pointed out a few things. Under the County MA Waiver funds there is \$3.9 million. There are total expenses of \$9.4 million. Contractor fees equal \$4.6 million. The per ride cost is \$33.93. Those are key number to keep in mind and compare against scenarios. The second page has ridership, cost by provider and the breakdown of wheelchair vs. ambulatory rides. The first page is a summary narrative of the 2016 data and below is the 5 scenarios. There isn't a

final impact for B and D yet; it is waiting for input from finance. There are 3 scenarios to look at.

The potential impact for scenario A looks at Metro retaining all the rides and additionally getting the full \$33.93 cost of each ride. In comparison to the 2016 data, the cost goes up to \$11.1 million from \$9.4 for 2016. In this scenario, there is a windfall with an increase in funding overall. This is the only scenario with that type of windfall. Kaysen said even if Metro got MCO buy-in at the current rate, there would probably be a decrease in rides because the MCO wants to save money. Golden said but theoretically there will be more people, and if people need the rides they will get the rides or file grievances. Bergamini said in scenario A, Metro will have a funding increase with the assumption of flat ridership. That is correct. Golden said an appropriate footnote for this scenario would be to recognize that outside money cannot be used for any kind of matching purposes like it had been in regular or waiver Medicaid. Regular Medicaid is state match for federal dollars, and the cost is both of those together. This assumes that the state would replace the money the city is putting in for match. That's an appropriate footnote to keep in mind. That's really significant. If you are running a supportive homecare agency and the parents said we'll kick in to generate federal money – you can't do that anymore. Golden said it doesn't affect these numbers, but it is going to be a factor. In every other county – for example Columbia County – no local money was included. So if the CIP rate was \$65/day, the state just took the appropriate money and put it into the waiver. There was no transit system contributing money from the city or county. Then when they started with a rate for IRIS, they didn't have that money. So it depends on whether that "extra" money will be included in the rate.

Senn said scenario C shows retaining 50% of the trips from 2016 and not getting the current level of Dane County funding, resulting in a shortfall of \$1.2 million. Contract service costs go down. This assumes the MCOs are buying tickets and they cost \$3.25. Golden said if you lose 50% of the rides, you lost half the federal money but contractor money goes down (shown). Wouldn't staff time go down? Golden said why not cut contracted rides. Senn said because Metro has labor agreements. Golden said so you are keeping more expensive rides (Metro). Golden pointed out that also Metro needs to decide if it is ambulatory or wheelchair rides because there is a cost differential. Senn said this is just a first pass at a generic scenario. Kemble said are you assuming that it is contractor rides because the MCO is contracting directly with providers? Senn said that could be. Kaysen asked the price per ride at Metro. Senn said she would have to check. Cost per ride shows an increase to \$41.03 \$33.93. Hunt emphasized this assumes a \$3.25 ticket price.

Senn said last scenario E is worst case scenario where Metro still has all the rides, no county MA Waiver funding, ending up with a shortfall of \$3.1 million. All tickets, no agency agreements.

Golden said based on the waiting list, is there a way of estimating ride demand for CIP waiting list and COP, WCIP2 demand? These scenarios are interesting, but they aren't a budget estimate. You would need more numbers and assumptions to get to a split number of accessible and ambulatory. Hunt said apart from the graduates, there are only 35 people on the waiting list.

Golden said a functional screen could tell us what kind of rides they would need. Hunt said but you wouldn't know their goals (i.e. two rides to work a day etc). Golden said you'd know for the grads. Bergamini said you would know the information for the grads and if they are in the Metro service area. Kaysen said that is a relatively small number. Golden said kids in a vocational program funded by the county graduate and get a continuation of the vocational program. The functional screen is a very detailed thing. If the person is already in the program, you put the person down as a high use rider. Hunt said a rough guess is 100 grads in the next 2 years, 25 on the waiting list, half live outside Madison, which is about 65, so you could modify this by a 10% modifier. He didn't know what it would look like on the elderly side.

Bergamini said Metro will need to know if the labor agreement has specific language in it about proportion of rides that are subcontracted vs. those kept in house to really work through the scenarios and when the contracts are due for negotiation. Golden said once the MCOs know what is going on, they could try to cut a separate deal with the cab providers, so you take those ambulatory rides off the top and then leave your rides as the more expensive wheelchair rides. Senn agreed the more expensive rides will stay with Metro. Martin said that comes around the 6 month mark and then gradually increases. Golden said it remains to be seen whether a place could buy its own accessible van which fits two people and transport people who live in the same place; that might be a more cost effective approach than using Metro at all. Like what they are paying the van driver vs. what Metro pays. Even in CIP, there was a lot more concentration of people in one place, either living together or very close. The MCOs might organize that way. Senn said the concern about that kind of coordination is where do they get a vehicle? State funding that Metro now gets? So you are splitting the funding out more than now. Golden said I'm remembering a state funding source mostly directed to rural areas. For example, the YWCA program got funding from our MPO. There is a state source that helped or completely financed vans for other areas. Martin said that is 5310. 5317 got combined with 5310. Golden said that no longer exists, so that is old information.

Kaysen said there are three possible scenarios. Senn said it would be helpful to hear what information the committee needs: per ride cost for directly operated service, what the language is in the labor agreement, expiration date of the labor agreement, etc. Given the summary sheet there are two more things to come. Bergamini said with all the financial scenarios as we glean more information and discuss, refining these and play with different assumptions. There is no information about the overhead cost and how that is affected in each scenario. Senn suspected there would be a lot of time to get into that level of detail. But looking at ADA requirements in conjunction with these rough numbers might move us in one direction or another. For example, should we continue exploring this concept because it doesn't generate enough income/savings or we don't want to due to administrative complexity or backlash or whatever.

Golden said there are five key questions that need to be answered and there is not just one answer:

- 1) How is the cost of the Metro directly operated service developed? What is

included?

2) We need to think ahead of how MCOs would save on their transportation budget. That's where the game is going to be played. For example, they might cut a deal directly with a cab company.

3) We tend to be the contractor with the providers, but now we are the contractee with the MCOs. So has the power relationship changed? If we go to a provider and say we're going to pay you \$14 a cab ride take it or leave it – can you say no if they want to ignore the union contract rules? Metro might be going to the table with someone who thinks they are in charge and Metro thinks they are in charge. Senn said the assumption here is that we're trying to put together ideas for the paratransit administration. We want to address services out there now and do as much as we can. Negotiation is not the charge of this group. The charge of this group is to think about how the shift to Family Care will impact paratransit service and what Metro can do about it. This group needs to get a feel for what Metro wants to go to the table to present to an MCO and say this is what we have available. That's our starting point. Golden said I don't disagree, but it would be valuable to anticipate what they are going to say. They have a certain attitude because they are a monopoly. They may not see it as they are buying paratransit service even though Metro thinks of it as selling paratransit service.

4) Separate contract by MCOs to providers to economize (among others)

5) IRIS – in many ways, this is a completely different animal

Kaysen said there are so many balls in the air in this discussion, I think that it will be rare for there to be a table with as much experience with specialized transportation as there will be in 2 or 5 years. It's important now to explain why some priorities are higher than others so future transit commissions can look at this and know why some ways are good and some ways are bad. This is something this committee can provide to future decision-makers. It's important to not focus too much on things that are going to happen anyway. I don't know how much flexibility we actually have in terms of what we can bargain with. We can dicker about how much an agency ride is. Golden said before this committee started Martin and I had lunch. I really had my Medicaid hat on and thought we had no clout. But Martin talked about some things we could do if it were "war" so to speak. For example, no more subscription rides. You have to call for every ride. Staff is smart enough to know those. But there is a nice advantage with Care Wisconsin that they are already working in our environment. But if some new entity comes in and we start with them in a very bad place, I think it is appropriate to prevent that bad place from happening. Kaysen agreed.

Martin said our charge is how to absorb the funding loss from not having the agreement with the county and what policy and fare recommendations can be made for staff and the TPC. Negotiation strategies are gravy and very much appreciated. But the immediate task is how to prepare and what services can Metro offer to be prepared. Contracting with the MCOs and being prepared for that, we've been contracted by the County for paratransit and also with other entities for fixed route service. We are obligated to meet our on-time and

service demands without driving up costs.

Bergamini said the question is what service Metro can afford to provide on 1/1/18. The committee is doing this with extremely incomplete information. Some of these funding shortfalls are the equivalent of cutting weekend service on. She wasn't familiar with what staff needs to put together a proposal for the mayor. Everyone is uncomfortable trying to predict what the RFP and negotiations will look like. There won't be more information in July than there is now. Maybe ranking most and least palatable scenarios and making value judgment of what services people in the community as a whole, not just paratransit, need and want is the way to go. But without more detailed information, the committee can't make more detailed recommendations. She asked what Metro needs. Martin said when it comes to the budget, staff will take our best guess. If it's a middle ground where Metro is short \$1.2 million, then Metro will need to ask for \$1.2 million.

Kaysen said the issue of balancing Sunday service and paratransit issues is complex, and it's up to the TPC and not this committee. Golden said it's the Mayor's issue. Bergamini said it is part of the charge of this committee to make recommendations for those trade-offs. Golden was troubled when Martin said Metro negotiated with the county, but until an outsider intervened, people were buying tickets rather than agency fares. How might the MCO economize? That will affect Metro. People develop outcomes in FC. If the services are incompatible to the outcomes, FC won't pay. If an activity ceases to be an outcome but the person still uses the transportation, FC won't pay for it. There is an ADA requirement for access, Metro still has to provide the trip. Those are the kinds of things Metro needs to plan for. Senn said there is that concept out there for many years – client shifting. From the Medicaid perspective, the money follows the client. No matter where the ride is provided, the funding that is associated with that individual should go with the person. Golden said that's not the way the system works. Hunt said we've billed every ride to Medicaid tied to outcomes. Golden said that's why it's a different system. Bergamini said is there any way to estimate the trips that are not connected to outcomes? For example, how many people are going to church every Sunday? Martin said that will probably be tied to weekend and night rides. She asked Senn to get numbers for that.

Kaysen said but a ride to bowling could be an outcome or fun. Golden said almost anything could be tied to outcomes, but it depends on what was talked about when developing the plan. If Metro encounters that situation, don't just absorb the cost, but refer it back to the planning process. Senn said that's a great concept, but the challenge for Metro as opposed to the county which is concerned about that person and their care plan. Metro doesn't have the luxury to recognize that happened and chase that down. Golden said if Metro is in a good working relationship with the MCO, Metro can ask why things aren't being paid for that were before. Not on an individual basis, but as a systemic problem. Let FC deal with it.

Senn said something highlighted early on was the development of that plan and what goes into that plan and who can challenge it if something was left out of that plan. Unless you are really on top of things, it's very hard to make a case for the plan after the fact. Also, not just anyone can come in on a rider's

behalf and say a mistake was made. It's the individual or someone specific on the person's behalf. We might be better off working with an ombudsman.

Senn asked what people were hearing about existing plans moving to FC. Hunt said the county is trying to prepare people for clearly articulating their goals. Case managers are not allowed at the table. It is the individual and their guardian; that's what we're hearing. Senn said that's what she is reading in the materials. FC is a state run program, so the county won't advocate on behalf of people. Bergamini was concerned about what would happen to people with no family; they would have the agency they are already working with as an advocate which could skew the outcome.

Golden said involved guardians will do a good job and get their way. Where you have agency guardians, a weak spot in the system, they are paid for by Dane County. They are corporate guardians who aren't that great. They would rubber stamp whatever the agency wanted for the person. It's called person-centered planning, but the system gets to determine who is in the room when you are doing the planning. But with IRIS, it's totally different. They get a certain allocation of money depending on the functional screen and get help determining how to spend it.

6. 46708 Family Care RFP for MCOs Update

Attachments: [Family Care RFP for MCOs.pdf](#)

Senn said the FC RFP was released. The alteration she found was segregating out Dane County. They also took out FC Partnership. That was the big distinction in the revision. That is other healthcare for members (seniors). That is removed, so it's strictly FC. It still doesn't have good historical data from Dane County to build cost. The capitated rate won't be finalized until after bids are due.

Bergamini asked if Metro is submitted questions. Senn said she submitted a verbal question about financial data; there isn't a lot of financial data. She submitted a written question (and can resubmit with new RFP) about the requirement proposers work with state and county run transportation agencies. Is it only those or can a will be documentation of communication with that entity. If there are questions members think Metro should submit, let Senn know.

Senn said there is a prohibition on an "enhanced rate". That is problematic because might not know what is included in the capitated rate, but then can't change their proposed services/rate later.

7. Report of Members

Golden had lunch with a former staff member who wrote the IRIS waiver and is still involved. One of the things that he was worried about was Dane County runs their program as self-directed services model. IRIS is the self directed services waiver. Because Dane County has such a strong guardian involvement in the services, it's possible a huge percentage (30 – 50%) of people in Dane County CIP side (maybe elder side too) will choose the IRIS

waiver. That means they get a certain allocation of dollars that is usually slightly less than what they were otherwise getting, and they get to spend that money. The staff person verified that one of the best things people say is, "I'm going to economize" because they get to direct the spending of leftover money. So they would buy tickets instead of agency fares. So say 200 or 500 people go into IRIS. What ends up happening is there will be maybe 4 fiscal agencies –like an accounting firm for bill paying. At first the system was getting these individual bills to pay. It was a paperwork nightmare. So what evolved was there are agencies now that do that. It's an easy way to identify who is in IRIS. Because Metro can identify that, they can pay the agency fare rather than the ticket rate. In annual eligibility, it could be good to identify the fiscal agent. Martin said the way Metro would do that now is when someone came in with a fiscal agent check, Metro says that is an agency check, you can't buy tickets. Martin said they don't have to reveal their fiscal agent because it doesn't have to do anything with their eligibility. But the surefire thing is when they come with a check, Metro can then get that fiscal agent to have an agency agreement.

8. Other

The 4/10 meeting is cancelled. The next meeting will be the regularly scheduled meeting on 4/24.

9. ADJOURNMENT

The meeting adjourned at 6:25 PM.