



## The Wisconsin Long-Term Care Coalition

# Keep Our Care at Home

### FAMILY CARE IS ALREADY COST-EFFECTIVE

Retain Wisconsin's Current Long-Term Care System — Family Care, IRIS, Partnership, and Aging & Disability Resource Centers — and make it available in all counties

In the publication, "Report to the Joint Legislative Audit Committee on Family Care, August 31, 2012" (in follow-up to the Legislative Audit Bureau Evaluation of Family Care), the Department of Health Services (DHS) documented the following cost-effectiveness of Family Care:

- Medicaid spending on long-term care **decreased from 53% of total spending in SFY 02 to 43% in SFY 11**. The average growth rate in LTC spending was also more moderate than overall Medicaid spending during this time period.
- Medicaid spending on institutions, such as nursing homes, **declined from 62% of LTC spending in SFY 02 to 31%**.
- The number of people in nursing homes paid by Medicaid **decreased from 31,437 to 20,626** — a total of 10,811 persons including 9,206 frail elders.
- Family Care **administrative costs are 4.6%**.
- Annually, **Family Care saves Wisconsin taxpayers approximately \$400 million/year** compared to the Waivers/Fee-for-Service Medicaid program.
- Family Care's costs are, on average, **28.5% lower than fee-for-service Medicaid** program.



## Family Care is ALREADY Cost-Effective

In a December, 2013, DHS report to the Joint Committee on Finance regarding long-term care expansion, DHS reached the following conclusions:

- “Expanding Family Care to the remainder of the state (15 counties) reduces the growth of long-term care costs by \$34.7 million.
- “The Department's analysis shows that statewide expansion of Family Care effectively controls cost growth for publicly-funded long-term care. **The Family Care program is the cost-effective solution to ensure that Wisconsin's elderly and residents with severe disabilities receive needed care and quality supports.**
- “The Family Care program has seen the average monthly expenditure per member on acute and primary care services decline while expenditures on these services have increased for legacy waiver members”
- “The impact of Family Care's service and funding models reach beyond the services managed care organizations manage directly: **the average cost of physician, hospital, personal care, and other acute and primary services for members have also declined over the last three years.**”