



March 31, 2020

To The Honorable Tony Evers Governor,

Thank you for your leadership and thoughtful response to the COVID19 pandemic.

The purpose of this letter is to highlight growing and immediate concerns regarding the stability of the Medicaid Home and Community Based Services (HCBS) waiver provider and caregiver network in Wisconsin.

An increasing number of service providers are suspending their services due to COVID-19 resulting in a substantial loss of revenue for many organizations that provide these services including Day Habilitation, Day Services, Residential, Personal Care, Supportive Home Care, Daily Living Skills, and Employment providers. As you have heard from provider and advocacy organizations, preservation of an adequate provider network that ensures participant choice for people with disabilities and frail elders is in jeopardy of being permanently dismantled.

We estimate HCBS providers in Wisconsin will lose tens of millions of dollars in revenue by the end of April, and potentially thousands of direct support workers will be lost to unemployment or competing jobs with fewer health risks and better pay. Many providers will simply be unable to sustain this level of revenue or staff loss. For those that do survive, it may take years to overcome the devastating impact this has on their organizations. It will be particularly difficult for small, rural providers with limited cash flow, reserves and outside revenue sources to sustain their businesses. This will further diminish the provider network and choices for participants following the crisis.

The impact to Wisconsin's overall economy will also be significant. Many HCBS providers are laying off employees; provider workforce loss is occurring now, and the capacity to provide necessary services in the future is becoming increasingly compromised. Providers in local communities are already doing all they can to repurpose workers, deliver relevant services virtually and collaborate with other providers to share staff. We thank you for the flexibilities already put into place to make these changes possible. Providers are asking for fast and specific guidance on how to subcontract between providers to ensure the entire network can remain intact.

Recently we learned Inlusa is offering limited relief payments to certain HCBS providers and our hope is that other Managed Care Organizations (MCO) take similar action soon. While we are thankful for MCO financial assistance during this difficult time, there remains a substantial Medicaid revenue gap for HCBS providers and inadequate support and compensation for direct care workers. Please consider the sustainability of the provider network by offering retainer payments to providers that are struggling with the onset of this dramatic and swift loss of revenue.

Please also consider the anticipated need to sustain critical in-home and residential supports including access to appropriate personal protective equipment for caregivers. Relief funding for this purpose should take into consideration the caregiver crisis that already existed in our state prior to COVID19. As the coming weeks unfold, we anticipate an intensifying need for caregivers in all in-home and residential settings. Considering the risk of exposure, compromised personal safety, personal childcare needs as schools are closed, and the potential draw of unemployment benefits, we seek support from the State in the form of Premium or Hazard pay for caregivers.

We ask for your help to address the issues in this letter and look forward to collaboration and joint agreement from your Administration and the full Legislature to support the actions below:

- HCBS provider retainer payments to service as gap funding due to the substantial loss of Medicaid revenue.
- Premium or Hazard pay for individual employees who currently, or will, provide in-home or residential services to ensure people with disabilities are getting the support they need. The relief funding that is distributed to provider organizations should explicitly require significant increases in wages during this pandemic for those employees who currently provide in-home or residential services, are repurposed to new homes or residential settings within their existing multi-service agency or elect to temporarily provide services for another agency through a shared staffing arrangement.
- Appropriate personal protective equipment for workers who will be providing needed supports in people's homes and other congregate living settings at this time.

Wisconsin has a long and rich tradition of providing progressive and effective long-term care services. We need your help ensuring that legacy continues after this pandemic.

Thank you for your consideration,

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