

## DHS Releases Study of LTC System in Wisconsin

The Wisconsin Department of Health Services (DHS) released its study of the long-term care (LTC) system in Wisconsin on Nov. 21, 2023. The 214-page report prepared by the consulting firm Baker Tilly includes retrospective and prospective analyses of the system and makes several recommendations for the public and private sectors to address future accessibility, demand, and workforce issues.

WHA supported DHS's decision to study the LTC system in Wisconsin given the significant challenges hospitals continue to have discharging patients to appropriate post-acute care settings. The number of patients in hospitals awaiting a post-acute care placement surged during the pandemic but has remained high—nearly 500 patients a day across the state.

In the report, Baker Tilly observed, "Due to the challenge in discharging the LTC population to safe and appropriate destinations, the acute care hospitals have become de facto part of the LTC industry due to their management of these patients to the tune of thousands of bed days per year." Baker Tilly continued, "The financial burden is not the only impact of the inability to place this population effectively[...] ... There is an additional burden of care not being met in the general population due to hospital beds being taken by the LTC population. The reality of this challenge is seen in deferred surgeries, resources diverted away from staff and other operations, and the inability to admit acuity patients from the overall community due to bed capacity." Baker Tilly estimated that in 2022, there were more than 177,000 excess hospital days for patients waiting for a LTC placement (and unavailable to other patients in need of inpatient hospital services), which cost the hospitals nearly \$485 million in hospital operating expenses.

In its recommendations, Baker Tilly called for process improvements for Medicaid eligibility determinations, guardianship, and Family Care MCO discharge authorizations, among others. Baker Tilly also noted that it believes, "there will be future capacity challenges to serve complex patient populations, especially when it comes to consumer preference for home and community-based services. [...] These patients create the largest area of concern for the future delivery of long-term care in state of Wisconsin, as well as nationally."

Although it expressed concern about access issues for the increasing number of patients with complex care needs, showed a significant shortage of nursing home beds by 2030 in two for the four analyzed scenarios, and noted the continuing trend of nursing homes downsizing or converting to other provider types, Baker Tilly suggested only modest changes to Wisconsin's nursing home bed cap (moratorium). Baker Tilly suggested the state consider allowing nursing homes to sell a portion of the licensed beds to another provider and to sell a portion of their licensed beds to another provider anywhere in the state, assuming demonstrated demand at the county or some other geographic service area level.

WHA will continue to review the report and its recommendations. A copy of the report is available [here](#).

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