

DHS Market Study of the Long-term Care Industry in Wisconsin Advances

As [previously reported](#) in *The Valued Voice*, the Wisconsin Department of Health Services (DHS) plans to engage a consultant to conduct a market study of the long-term care (LTC) industry in Wisconsin. DHS has asked consultants who are interested in conducting the study to respond to DHS's [Request for Services](#) (RFS) by June 24, 2022.

In the RFS, DHS describes the three components and requirements of the study:

- **Retrospective analysis.** Conduct a root-cause analysis of challenges in cost and reimbursement structure, labor shortages, operational impediments, and meeting federal and state quality assurance standards.
- **Prospective analysis.** Forecast the future-state of the long-term care industry to determine consumers' preferences for long-term care in the next five-to-ten-years, and whether Wisconsin's LTC industry is positioned to meet these needs.
- **Recommendations.** Develop a set of recommendations for both the public and private sector to position the LTC industry as strongly as possible for the future.

For public sector recommendations, DHS asks for the study to include proposals such as:

- The steps the state should take to ensure that patients, especially Medicaid members, have access to essential services.
- Changes, if any, the state should consider to the Medicaid nursing home rate setting formula and other rate setting formulae necessary to maintain an appropriate level of access to meet future demand for the level of care.
- Changes, if any, the state should consider to the regulatory structure to ensure the LTC sector can meet future demand for services and maintain standards for residential safety and independence.

DHS also asks for the study to include recommendations for the private sector, such as the following:

- How LTC providers can best address complex care needs such as dementia, complex behavioral health, and the medically fragile in the community and in facilities.
- The approaches that will ensure an effective collaborative relationship between hospitals, post-acute care facilities and other community settings.
- Identifying the barriers that exist to an effective transfer of patients from inpatient hospitalizations to post-acute care.
- Strategies LTC providers employ to address labor shortages (e.g., What changes should LTC providers consider for recruitment and wage packages, with the focus on turnover reduction and retention).

WHA President and CEO Eric Borgerding reiterated the importance of collaboration on this project, stating, "The hospital community looks forward to working with DHS on this crucial examination of the issues."