



Date: February 7, 2025

DMS Operations Memo, 25-03

To: Income Maintenance Supervisors  
Income Maintenance Lead Workers  
Income Maintenance Staff

**Affected Programs:**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> BadgerCare Plus | <input checked="" type="checkbox"/> Caretaker Supplement   |
| <input type="checkbox"/> FoodShare                  | <input type="checkbox"/> FoodShare Employment and Training |
| <input checked="" type="checkbox"/> Medicaid        |  |
| <input checked="" type="checkbox"/> SeniorCare      |  |

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Division of Medicaid Services

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Bureau of Eligibility Operations & Training  
Division of Medicaid Services

**Health Insurance Access No Longer Impacts Eligibility for BadgerCare Plus and BadgerCare Plus Prenatal Program**

**CROSS REFERENCE**

- BadgerCare Plus Eligibility Handbook, [Section 7.1 Health Insurance Conditions of Eligibility](#), [Section 7.2 Past Access to Health Insurance](#), [Section 7.3 Current Access to Health Insurance](#), [Section 1.1.2 BadgerCare Plus Coverage Groups](#), [Section 41.1 BadgerCare Plus Prenatal Program](#), and [Section 41.2 Eligibility Requirements](#)
- 42 USC [1397jj\(b\)\(1\)\(C\)](#)
- 42 CFR [§ 457.310](#) and [457.805](#)

**EFFECTIVE DATE**

February 22, 2025

**PURPOSE**

This operations memo announces changes to the eligibility requirements for individuals with access to health insurance applying for or enrolled in BadgerCare Plus and the BadgerCare Plus Prenatal Plan.

**BACKGROUND**

The Children's Health Insurance Program (CHIP) is primarily a program that provides coverage for children in families with low income, based on the Federal Poverty Level. Children eligible for CHIP are covered under BadgerCare Plus. This includes:

- Children ages 1 through 5 with household incomes over 191% of the FPL.
- Children ages 6 through 18 with household incomes over 156% of the FPL.

CHIP also includes pregnant people enrolled in the BadgerCare Plus Prenatal Program at any income level.

The BadgerCare Plus Prenatal Plan provides coverage for pregnant people who apply for BadgerCare Plus and meet all financial and most nonfinancial eligibility requirements, including:

- Pregnant people who do not meet the BadgerCare Plus citizenship or immigration status requirements.
- Pregnant people who are inmates of a public institution and would otherwise be placed in suspended status for BadgerCare Plus.

Federal law and regulations require that coverage provided under CHIP does not substitute or crowd-out coverage under group health plans, such as employer-sponsored health insurance. Wisconsin has complied with this requirement for states by using eligibility policies on health insurance access and coverage for CHIP. The individuals in the above groups are not eligible for BadgerCare Plus and the BadgerCare Plus Prenatal Plan, respectively, if they have access to past, current, and future employer-sponsored and state health insurance plans.

Recent changes to federal regulations prohibit imposing a waiting period for people who have disenrolled from a group health plan prior to allowing them to enroll in CHIP coverage. This change and other guidance on preventing substitution of coverage has led to a reassessment of the policy on the access to health insurance for CHIP.

## **POLICY**

Effective February 22, 2025, current, past, and future access to health insurance will no longer impact BadgerCare Plus eligibility for:

- Children ages 1 through 5 with household incomes over 191% of the FPL.
- Children ages 6 through 18 with household incomes over 156% of the FPL.

It also doesn't impact BadgerCare Plus Prenatal Plan eligibility for:

- Pregnant people who do not meet the BadgerCare Plus citizenship or immigration status requirements.
- Pregnant people who are inmates of a public institution and would otherwise be placed in suspended status for BadgerCare Plus.

Only active insurance coverage will impact eligibility.

## **CONTACTS**

DHS CARES Problem Resolution Team

DHS/DMS/BEEP/SDB

DHS/DMS/BEOT/JN