

# BadgerCare Reform Waiver

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October 17, 2019

Income Maintenance Advisory Committee (IMAC) Meeting



# Topics

- Project Overview
- Policy
- Communications and Outreach
- Release Readiness

# Project Overview

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# Background

- Wisconsin's authority to cover childless adults (CLAs) under BadgerCare Plus comes from a Section 1115 demonstration waiver.
- Section 1115(a)(2) of the Social Security Act allows the Centers for Medicare and Medicaid Services (CMS) to approve experimental or demonstration projects that give states flexibility to design their Medicaid programs in order to promote the objectives of the Medicaid program and evaluate ways to better serve members.
- These waivers give states flexibility to operate their Medicaid program in ways beyond what is allowable under current law, as CMS can waive certain provisions of the program.

## Background (cont.)

- 2015-2017 Biennial Budget (WI Act 55) required DHS to apply for an amendment to the BadgerCare Reform Waiver.
- There were additional non-Act 55 policies included in the amendment request as well.
- The BadgerCare Reform waiver was approved by CMS on October 31, 2018.
- Wisconsin Act 370 required implementation of the BadgerCare Reform changes by November 1, 2019.

## Background (cont.)

- The BadgerCare Reform Waiver amendment includes the following changes for CLA members:
  - Community engagement (employment and training requirement) including a 48-month limit on benefits when in non-compliance
  - Monthly premiums
  - A mandatory question about drug use
  - Healthy behavior incentives applied as a reduction in the monthly premium amount
  - An \$8 co-payment for non-emergency use of the emergency department (ED)
- Waiver also increases coverage of residential substance use disorder (SUD) treatment for all full-benefit BadgerCare Plus and Medicaid members.

# February Implementation

- Members will become subject to monthly premiums and the drug use question at application or their next renewal after February 1, 2020.
- Current members will receive an update notifying them of these policies in November 2019.
- The copayment for non-emergent use of the ED will be in effect for all CLAs starting on February 1, 2019.
- DHS has requested a 90 day extension from the Joint Finance Committee (JFC) for implementation of community engagement and residential SUD treatment.

# Policy

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# Premiums

- CLA members with income greater than 50% of the federal poverty level (FPL) will be charged an \$8 monthly household premium.
- Premiums will not be charged for backdated eligibility months.
- The following CLA members will not have to pay premiums:
  - Tribal members, children and grandchildren of tribal members, and any individuals who are eligible to get Indian Health Services,
  - Institutionalized or disabled CLAs, and
  - Individuals who are or have been homeless in the last 12 months

Note: A question to identify whether individuals have been homeless in the last 12 months will be added to the BadgerCare Plus application.

# Premiums: Effective Date

- For new applications (not including a person-add), the premium requirement will apply for any applications with a filing date on or after February 1, 2020.
- For renewals, when the premium requirement applies depends on the status of the renewal :
  - If it is a renewal either submitted early or late, the requirement applies as of February 1, 2020.
  - If it is a timely renewal, the requirement applies to renewals due March 31, 2020 (impacting benefits as of April 1, 2020).
- At the point in time a member becomes a CLA during the certification period, including when someone is added to an existing CLA assistance group, the premium requirement will apply, as long as the case has gone through a health care application or renewal after implementation.

# Premiums: Healthy Behavior Reductions

- Premiums may be reduced based on healthy behavior incentives.
  - One-person household, reduced premium = \$4
  - Two-person household, both individuals have a reduction, premium = \$4
  - Two-person household, one individual has a reduction, premium = \$6

# Premiums: Payment Methods

CLA members will be able to pay their premiums in any of the following ways:

- Mailing a check or money order to the lockbox,
- Using a credit card, debit card, or banking account online through ACCESS or MyACCESS, or
- When a condition of eligibility (for example, at renewal), the member will be able to submit a check or money order to the IM agency.

# Premiums: Due Dates

- Premiums will be charged each month, but won't impact eligibility unless they are not paid by the end of their certification period. The end of their certification period includes:
  - At their renewal, even if they complete an early renewal, and
  - When their certification period ends due to termination or switching to an EBD Medicaid category under a new certification period.

# Premiums: Restrictive Re-enrollment Period

- Restrictive Re-enrollment Period (RRP)
  - If a CLA member has unpaid premiums at the end of their certification period or at renewal, they will be subject to a 6 month RRP.
  - Members can regain eligibility by paying owed premiums anytime during the RRP.
  - Members could also become eligible (with an RRP in the background) if:
    - They meet an exemption,
    - Their income has dropped to 50% or less of the FPL, or
    - They become eligible under another category of Medicaid.

# Premiums: Restrictive Re-enrollment Period (cont.)

- If a CLA member de-requests or loses eligibility, or becomes eligible for EBD Medicaid, and there are any outstanding premiums, an RRP will be established and run in the background. If they become a CLA member again during that six months, the RRP will apply.

# Premiums: Restrictive Re-enrollment Period (cont.)

## Example 1

Sally becomes eligible for BadgerCare Plus as a CLA in February 2021 and has a monthly premium of \$8. She does not pay the premiums for February, March, April, and May.

Sally reports that she moved to Florida on May 11, 2021. Her benefits end May 31, 2021, and a six-month RRP is established.

Sally moves back to Wisconsin in August 2021, and reapplies for BadgerCare Plus. The worker pends eligibility to obtain the outstanding premiums. If Sally chooses not to pay the premiums by the due date, her application will be denied due to the existing RRP. She decides to pay the arrears incurred in early 2021 and becomes eligible as of August 1, 2021. However, she could have chosen to forgo coverage until December 2021, when she could reapply and enroll in BadgerCare Plus without paying the arrears.



# Premiums: Restrictive Re-enrollment Period (cont.)

## Example 2

Bill becomes eligible for BadgerCare Plus as a CLA in January 2021 and has a monthly premium of \$8. He does not pay the premiums for January, February, March, and April.

Bill enters a nursing home, and stays more than 30 days, so he qualifies for Institutional Medicaid. His BadgerCare Plus certification period ends and his Institutional Medicaid certification begins on May 1, 2021. Because Bill's BadgerCare Plus certification ended, and he had unpaid premiums, a six-month RRP will be established and run in the background.

Bill reports that he returned home on July 8, 2021. The worker updates the case and BadgerCare Plus pends eligibility to obtain the outstanding premiums. If he pays the arrears, he could become eligible for a new certification period as a CLA as of August 2021. However, if he chooses not pay the arrears, he will fail due to an RRP until he pays his premiums from the previous BadgerCare Plus certification period.

# Premiums: Refunds

- Premiums refunds are based on the current policy regarding refunding BadgerCare Plus premiums:
  - If a premium is paid for a month in which the individual or household was ineligible for BadgerCare Plus , the premium will be refunded.
  - If the premium is paid for a month in which the household's income decreased and they no longer owe a premium, the premium will be refunded.
  - If the premium is paid for a month in which the household qualifies for a premium reduction, the excess premium paid will be refunded as of the month that the reduction applied (for example, if the member paid \$8 and later that month they qualified for a reduction to \$4, the extra \$4 will be refunded).

# Premiums: Notification

- Information regarding a required premium will be included on the following:
  - One-time letter,
  - Notice of Decision,
  - New BadgerCare Plus Premium Statement, and
  - Other correspondence.
- Information regarding an RRP will be included in a new section of the Notice of Decision.

# Drug Use Question

- CLA applicants and members will be required, as a condition of eligibility, to answer a single drug use question, which asks them about whether they have used drugs in ways that cause problems for them or those around them, and if they are open to getting help.
- Their assessment information will be shared with their HMOs or MCOs.
- Some individuals are not required to answer the drug use question, but have the option to. These include:
  - Tribal members, children and grandchildren of tribal members, and any individuals who are eligible to get Indian Health Services, and
  - Institutionalized or disabled CLAs

# Drug Use Question: Effective Date

- For new applications (not including a person-add), the requirement will apply for any applications with a filing date on or after February 1, 2020.
- For renewals, when the drug use question requirement applies depends on the status of the renewal :
  - If it is a renewal either submitted early or late, the requirement applies as of February 1, 2020.
  - If it is a timely renewal, the requirement applies to renewals due March 31, 2020 (impacting benefits as of April 1, 2020).
- At the point in time a member becomes a CLA during the certification period, including when someone is added to an existing CLA assistance group, the requirement will apply, as long as the case has gone through a health care application or renewal after implementation.

# Drug Use Question: Completion Methods

CLA applicants and members will be able to answer the drug use question in any of the following ways:

- Online as part of ACCESS,
- Through the MyACCESS mobile app,
- Mailing a paper form,
- By telephone, or
- In-person at their IM agency.

# Drug Use Question: Who Can Complete

- Each CLA member must answer the drug use question.
- However, one of the following may answer on behalf of all CLA members in the household:
  - Primary person,
  - Spouse,
  - Authorized representative,
  - Financial power of attorney,
  - Legal guardian over the estate, or
  - Someone authorized by the individual.

# Drug Use Question: Renewals

- During renewal, CLA members must respond to the drug use question again.
- For the first administrative renewal after implementation, CLA members may be administratively renewed, but will be asked to answer the drug use question in order to keep their eligibility.
- For subsequent administrative renewals, where a drug use question response is on file, the CLA member will be asked to report if their response has changed.



# Drug Use Question: Notification

Information regarding the required drug use question will be included on the following:

- One-time letter,
- Notice of Decision,
- PIN-based summary, and
- Other correspondence.

# Health Survey

- CLA applicants and members may take a short optional BadgerCare Plus Health Survey.
- Questions will address healthy behaviors and use of alcohol and tobacco.
- Their answers may lower their monthly premium.
- Their answers will be shared with their HMOs or MCOs.
- Their answers and possible premium reduction are only valid for the certification period.

# Health Survey: Completion Methods

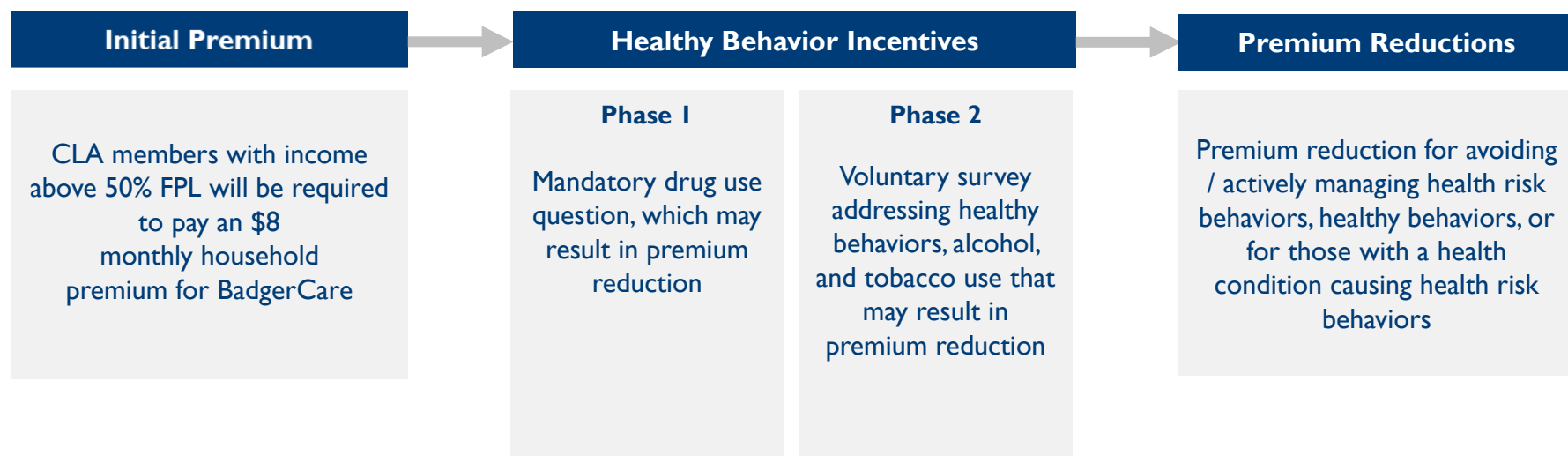
CLA applicants and members will be able to complete the survey in any of the following ways:

- Online as part of ACCESS,
- Through the MyACCESS mobile app,
- Mailing a paper form to a third party vendor,
- By telephone with a third party vendor.

# Health Survey: Who Can Complete

- Each CLA applicant or member can complete the health survey.
- However, one of the following may complete the survey on behalf of a CLA applicant or member:
  - Authorized representative,
  - Financial power of attorney,
  - Legal guardian over the estate, or
  - Someone authorized by the individual.

# Premiums & Healthy Behavior Incentives



# Communication & Outreach

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# Member Communication

- ForwardHealth Member Update
  - The Update is a one-time letter that will provide an overview of all upcoming changes.
  - The Update will be mailed to approximately 150,000 BadgerCare Plus CLA members in early November.
  - The Update and talking points will be shared with IM agencies at the end of October through a CARES coordinator notice.
  - Questions regarding the Update should be directed to ForwardHealth Member Services.

# Member Communication (cont.)

- One-time Renewal Letter
  - A separate letter will be sent to affected members at their renewal explaining the changes and their impacts in more detail.
  - This will continue for the first year of implementation.
  - It will be sent in a separate envelope from the administrative renewal letter or 45-day renewal letter.



# Member Communication (cont.)

- Information will also be included on standard correspondence, such as the Notice of Decision, Verification Checklist, Administrative Renewal letter, and 45-day Renewal letter.
- A number of new letters and forms, such as a one-time mailing and monthly premium statement, are being created to provide information to members affected by the new policies.

# Member Communication (cont.)

- Other communications may include emails, updates on the DHS website, fact sheets, social media, etc.
- IM will be provided with FAQs and other materials containing information about the new policies for use when engaging with members.

# Release Readiness

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# Important Dates

Date	Event or Communication
October 28	Overview of training approach at IMAC Training Subcommittee meeting
Late October	ForwardHealth Member Update and talking points shared with IM through a CARES Coordinator Notice
Early November	ForwardHealth Member Update sent to CLA members
November 21	Overview of system changes, including CWW, ACCESS, and MyACCESS at IMAC
Early January	Ops memo published
Mid-January	Training materials made available
End of January	CARES bulletin, demo videos, talking points, and other materials made available
February 3	Process Help, BadgerCare Plus Eligibility Handbook, Electronic Case File Handbook, and ACCESS Handbook updated with release

# Questions?

Please direct any questions to the CARES Call Center.