



Date: January 2, 2020

DMS Operations Memo 20-01

Amended February 5, 2020

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

Affected Programs:

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

From: Rebecca McAtee, Bureau Director
Bureau of Enrollment Policy and Systems
Division of Medicaid Services

New Requirements for BadgerCare Plus Childless Adults

CROSS REFERENCE

- BadgerCare Plus Eligibility Handbook, [Section 2.2.7 Childless Adults](#), [Section 16.1 Income](#), and [Chapter 19 Premiums](#)
- Wis. Stat. §§49.45(23) and 49.45(23b)

EFFECTIVE DATE

February 1, 2020

PURPOSE

The purpose of this operations memo is to announce changes for BadgerCare Plus childless adults beginning February 1, 2020, including:

- **Monthly premiums** for members with income over 50% of the federal poverty level (FPL) for which nonpayment may result in a period of ineligibility.
- A **treatment needs question** as a condition of eligibility.
- A **voluntary health survey** that may reduce the monthly premium.

BACKGROUND

A childless adult is defined as a person 19 to 64 years old who is not receiving Medicare and who does not have any dependent children younger than 19 years old who reside with him or her at least 40% of the time. Marital status has no effect on a person being a childless adult.

Wisconsin's authority to cover childless adults under BadgerCare Plus comes from a Section 1115 demonstration waiver. Section 1115(a)(2) of the Social Security Act allows the Centers for Medicare & 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.

Childless adults have been eligible for BadgerCare Plus (and not subject to paying premiums) if their modified adjusted gross income (MAGI) is equal to or less than 100% of the FPL. On October 31, 2018, CMS approved an amendment to Wisconsin's BadgerCare Reform Section 1115 Demonstration, which allows Wisconsin to make policy changes explained within this memo, including changes to the cost sharing and eligibility requirements for childless adults. Under Wis. Stat. §§49.45(23) and 49.45(23b), effective on February 1, 2020, childless adults without an exemption must meet two new requirements to become or remain eligible for BadgerCare Plus:

- Monthly premiums
- Answer the treatment needs question every year

In addition, BadgerCare Plus childless adults can take an optional health survey to possibly reduce their household's monthly premium.

POLICY

PREMIUM REQUIREMENT FOR CHILDLESS ADULTS

Childless adults will be subject to a household premium of \$8 a month unless they fall under any of the following exemptions:

- Has a household income at or below 50% of the FPL
- Has verified status as a tribal member, a child or grandchild of a tribal member, or an individual who is eligible to get Indian Health Services
- Has a verified disability
- Has resided in or is expected to be residing in an institution for at least 30 days
- Is homeless or has been homeless in the last 12 months.
 - A question will be added to the BadgerCare Plus application to identify whether a person is homeless or has been homeless in the last 12 months.
 - The definition of homeless is someone who lacks a fixed and regular nighttime residence or someone whose primary nighttime residence is one of the following:
 - A supervised shelter designed to provide temporary accommodations
 - A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized
 - A temporary accommodation for not more than 90 days in the residence of another individual
 - A place not designed for, or ordinarily used as, a regular sleeping accommodation
- Is deceased

Members will not be subjected to premiums for backdated months.

Consistent with current premium policies, childless adults may qualify for a premium-free month under both of the following conditions:

- No one in the BadgerCare Plus group was eligible for BadgerCare Plus or Medicaid in the previous month.
- No one in the group received a free month in the previous 12 months.

Some third parties may pay premiums on behalf of members. For example, a friend or family member may send a check on a member's behalf. Other policies regarding the payment of premiums by third parties are still being defined.

PREMIUM POLICY EFFECTIVE DATE

The premium requirement will apply to new applications with a filing date on or after February 1, 2020. Members will not be subjected to premiums for backdated months.

For renewals, when the premium requirement will apply 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 on or after March 31, 2020 (impacting benefits beginning in the first month of the new certification period).

Example 1: Jane was a childless adult enrolled in BadgerCare Plus with a renewal due December 31, 2019. Jane did not renew her benefits on time, so her BadgerCare Plus closed. On February 20, 2020, Jane submits a late health care renewal to regain eligibility as of January 1, 2020. Because Jane is submitting a late renewal after February 1, 2020, she will be subject to the new premium requirement. However, because the requirement did not go into effect until February 1, 2020, Jane will not owe a premium for the month of January. Jane will begin to owe monthly premiums as of February 2020, unless she qualifies for any exemption.

Example 2: Mary is a childless adult currently enrolled in BadgerCare Plus. Her certification period began in October 2019. Mary will not be subject to the new premium requirement until she renews her health care benefits in September 2020 and her new certification period starts if she remains a childless adult and does not qualify for any exemption.

The premium requirement will apply if a health care member becomes a childless adult during a certification period that starts after the policy effective date. This includes the member joining an existing childless adult assistance group.

Example 3: James and Beth are currently enrolled in BadgerCare Plus as parents along with their 18-year-old daughter Sara. Their certification period began in June 2019. They complete a renewal in May 2020. Because they are parents, the premium requirement does not apply to James and Beth at the time of renewal. Sara turns 19 in July 2020, so James and Beth become childless adults. Because their certification period began after February 1, 2020, James and Beth will begin to owe monthly premiums upon this change unless they qualify for any exemption.

Increase or Decrease in Household Income During the Certification Period

If the household income goes above 50% of the FPL due to a change in income or household composition, the premium payment requirement will apply the following month (subject to timely notice requirements).

If the household income drops to 50% of the FPL or less, then the premium payment requirement will no longer apply as of the same month the change in income was reported.

PREMIUM PAYMENT AMOUNT

The monthly premium is assessed at the household level not the individual level. The monthly premium amount is \$8 regardless of household size. However, this amount can be lowered during the certification period based on healthy habits reported through the response(s) to the health survey or by the answer to the treatment needs question by childless adults in the household. The reductions for the monthly premium are as follows:

Premium Amount	Applicable Reductions
\$4	One-person household with that person receiving a reduction
	Two-person household with both people receiving a reduction
\$6	Two-person household with only one person receiving a reduction
\$8	One- or two-person household with no reduction

Example 4: There are two childless adults in the household: Alice and Barry. The household pays a \$6 monthly premium because Alice took the health survey and reported healthy habits, but Barry did not. Their certification period began April 1, 2020.

Alice suffers injuries in a car accident in June 2020. Subsequently, she is verified disabled effective July 2020 and becomes eligible for Elderly, Blind, or Disabled Medicaid.

Because Alice is no longer a childless adult, her health survey response does not result in a premium reduction for the household. Barry's household premiums will increase to \$8, but he could reduce that amount to \$4 if he completes the health survey and shows that he has healthy habits.

Reductions based on the health survey or treatment needs question apply as of the month the health survey or treatment needs question was received. However, if a health survey is submitted within the first two months of the certification period, any premium reductions will be retroactively applied back to the beginning of the certification period.

PREMIUM DUE DATES

Like other health care premiums, the premium that childless adults pay for BadgerCare Plus will be due on the 10th day of the benefit month. However, failure to pay the premium will not result in disenrollment until the end of the certification period. Premiums are tied to the certification period not the calendar year. Any accrued premium amount the childless adult has not paid will result in disenrollment at the following times:

- Adverse action of the 12th month of the certification period
- Early renewals
- BadgerCare Plus termination, either due to ineligibility or because they have de-requested health care

Example 5: Aaron applies for BadgerCare Plus in March 2020. He is a childless adult with no applicable exemption and an income over 50% of the FPL. This is the first time he has applied for a health care benefit. He does not receive a reduction for the monthly premium amount.

March 2020 is a premium-free month for Aaron. Over the next 10 months, he does not pay any premiums.

In January 2021, Aaron submits an early renewal for BadgerCare Plus. He will need to pay his entire \$80 arrears (\$8 monthly premium x 10 months) to remain eligible for BadgerCare Plus.

Members cannot prepay monthly premiums. They can pay each month, pay multiple owed months, or wait until the end of the certification period to pay. For example, if the certification period is February 2020 through January 2021, the member cannot pay in advance for future months on February 15, 2020. Instead, the member can:

- Pay for a premium each month it becomes due.
- Pay for current and past months (in April, the member could pay February, March, and April premiums).
- Pay all owed premiums in January 2021.

PREMIUM PAYMENT METHODS

Premium statements will be sent to childless adults monthly. The statement will include the following information:

- When to pay, including that all premiums for the certification period must be paid before renewal or before the certification period ends
- How to lower their premium amount
- Amount due for the current month
- Amounts due for past months (if applicable)
- Total amount due (arrears for the certification period)
- How to pay

A mail-in section will be provided for members to include with their check or money order.

Childless adults will have several options to pay the monthly premiums:

- Check
- Money order
- Electronic funds transfer (EFT)
- Credit or debit card

Childless adults will be able to pay using a credit or debit card or by EFT from a checking or savings account through the ACCESS website or MyACCESS mobile app. Members may also mail a check or money order to a specific address for premium processing.

Members can only submit a check or money order directly to their income maintenance (IM) agency when the premium payment is a condition of eligibility (for example, at renewal).

The Wisconsin Department of Health Services has established a premium payment assistance program using donated funds for this specific purpose. Childless adults who need assistance paying the monthly premium can request it be paid using these donated funds. If funds are available, childless adults will have any currently unpaid and future BadgerCare Plus premiums paid in full until their next renewal date. Assistance will need to be requested again after each renewal as donated funds cannot be guaranteed. These requests will be taken by the Member Services Premium Line at 888-907-4455.

RESTRICTIVE REENROLLMENT PERIOD

Childless adults will enter a six-month restrictive reenrollment period (RRP) when there are unpaid premiums at the end of the certification period. During the RRP, childless adults must pay the full amount of unpaid premiums to have benefits reinstated. Childless adults can also regain eligibility if they meet an exemption (for example, they become homeless), their income drops to 50% or less of the FPL, or they become eligible under a different category of Medicaid. If one of these three conditions applies, the RRP would run in the background in case their situation changes. (For example, they later regain eligibility as a BadgerCare Plus childless adult, or their income increases to more than 50% of the FPL.)

If the childless adult chooses not to pay the full amount of unpaid premiums during the RRP, he or she must wait until the RRP ends to apply for health care benefits again. At the end of the six-month RRP, the arrears on the unpaid premiums are no longer required. At application, the member may ask for backdated eligibility (up to three months), even if those months overlap with the completed RRP. The member is not subject to premiums for backdated months.

Example 6: Kim applies for BadgerCare Plus in January 2021 and has a monthly premium set at \$8. She is enrolled but does not pay the premiums for January, February, March, April, and May.

Kim reports that she has moved to Minnesota on May 9, 2021. Her benefits end May 31, 2021, and a six-month RRP is established for June through November 2021.

Kim moves back to Wisconsin in July 2021. She reapplies for BadgerCare Plus, and the worker pends eligibility to obtain the outstanding premiums. If Kim 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 her application is approved. However, she could have chosen to forgo

coverage until December 2021 when she could reapply and enroll in BadgerCare Plus without paying the arrears.

Example 7: Ben applies for BadgerCare Plus in January 2021. He is enrolled and has a monthly premium of \$4. He does not pay the premiums for January, February, March, and April.

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

Ben 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 would become eligible for a new certification period as a childless adult as of August 2021. However, if he chooses not to pay the arrears, he will fail due to an RRP until he pays his premiums from the previous BadgerCare Plus certification period (January-April 2021), or until the RRP ends.

Example 8: Aaron applies for BadgerCare Plus in March 2020. He is enrolled and has a monthly premium of \$8.

March 2020 is premium-free month for Aaron. Over the next 10 months, he does not pay any premiums. In January 2021, Aaron submits an early renewal for BadgerCare Plus, during which he reports his income is less than 50% of the FPL.

Aaron is not required to pay monthly premiums for the certification period beginning February 2021, and he would remain enrolled in BadgerCare Plus. However, he would have an RRP in the background for payment on his \$80 arrears (\$8 monthly premium x 10 months). If his income increased to more than 50% of the FPL during the RRP, he would no longer be eligible for BadgerCare Plus until he paid all his arrears or until the RRP ended.

Note: Childless adults will not be notified or automatically reenrolled in health care at the end of the RRP. Instead, the notice that informs the member that he or she is entering an RRP will include the RRP timeframe.

REFUNDS

Refunds of childless adult premiums are based on the current policy regarding refunding BadgerCare Plus premiums:

- If a premium is paid for a month when a childless adult household was ineligible for BadgerCare Plus, the premium will be refunded.
- If the premium is paid for a month when 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 when 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 he or she qualified for a reduction to \$4 based on his or her responses to the health survey, the extra \$4 will be refunded).

The refund will always be paid to the member regardless of who paid the premium (for instance, a payment made by a third party would be refunded to the member not the third party). Refunds will always be paid in the form of a check.

NOTIFICATION

Information on the required premium payments for childless adults will be included in the Notice of Decision. The Notice of Decision will also include information on an RRP if applicable.

TREATMENT NEEDS QUESTION COMPLETION REQUIREMENT FOR CHILDLESS ADULTS

The treatment needs question is a screening tool that helps determine whether or not an applicant or member has used drugs in ways that have caused problems for them or their family and if they are open to getting treatment. Childless adults will be required to answer the treatment needs question as a condition of eligibility.

Childless adults will not need to answer the treatment needs question or affirm an existing response if they:

- Have a verified status as a tribal member, a child or grandchild of a tribal member, or an individual who is eligible to get Indian Health Services.
- Have a verified disability.
- Have resided in or are expected to be residing in an institution for at least 30 days.
- Are deceased.

Childless adults who are not required to answer the treatment needs question may voluntarily do so.

EFFECTIVE DATE

Childless adults will be subject to the treatment needs question:

- At application. The requirement will apply for applications with a filing date on or after February 1, 2020.
- At renewal. For renewals, when the 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 health care member becomes a childless adult during the certification period, including situations in which someone is added to an existing childless adult assistance group, as long as the case has gone through a health care application or renewal after the implementation date.

During renewal, childless adults must answer a new treatment needs question. For the first administrative renewal after implementation, childless adults may be administratively renewed, but will be asked to answer the treatment needs question separately in order to keep their eligibility. For

subsequent administrative renewals where a treatment needs question response is on file, the childless adult will be asked to report if his or her treatment needs question response has changed.

Note: Childless adults enrolled in BadgerCare Plus at the time of implementation will not need, nor be able to, answer the treatment needs question until their next renewal.

Example 9: Anna is a childless adult currently enrolled in BadgerCare Plus. Her certification period began in August 2019. On February 18, 2020, Anna submits an early health care renewal. Because Anna is submitting an early renewal after February 1, 2020, she will be subject to the new policies and will need to answer the treatment needs question as part of her renewal for health care.

Example 10: Edith is a childless adult currently enrolled in BadgerCare Plus. Her certification period began in November 2019. Edith will need to answer the treatment needs question in October 2020 as part of her renewal for health care if she remains a childless adult.

Example 11: Brad is currently enrolled in BadgerCare Plus as a parent, along with his son Oliver. His certification period began in May 2019. Brad completed a renewal for himself and Oliver in April 2020. Because he is a parent, the childless adult policies do not apply. Brad reports that Oliver has left the household in July 2020, so Brad becomes a childless adult. Brad will need to answer the treatment needs question to remain eligible for BadgerCare Plus.

ANSWERING THE TREATMENT NEEDS QUESTION

The treatment needs question will collect a self-attested answer about substance abuse and desire for treatment. The question asks, “During the last 12 months, have you used drugs in ways that cause problems for you or those around you, and are you open to receiving help?”

If the treatment needs question is not answered (with either a Yes or No), the response does not meet the requirement for BadgerCare Plus eligibility.

Whether the person responds Yes or No to the treatment needs question does not affect their eligibility for health care benefits.

- If the answer is No, the childless adult has met the treatment needs question requirement, and no further action is taken.
- If the answer is Yes, the childless adult has met the treatment needs question requirement.
 - If they are enrolled in a health maintenance organization (HMO) or managed care organization (MCO), the HMO or MCO will be notified of their response to help them get into treatment.
 - If they are exempt from HMO or MCO enrollment, they will be provided information about accessing treatment.

The treatment needs question response will also be used to determine whether the member qualifies for a reduction in the monthly premium. If the member answers Yes to the question, they will receive a premium reduction.

Who Can Answer the Treatment Needs Question

Each childless adult must answer a treatment needs question. In addition to the childless adult, any of the following may answer the treatment needs question on behalf of all childless adults in the household:

- Primary person
- Spouse
- Authorized representative
- Financial power of attorney
- Legal guardian over the estate
- Someone authorized by the individual

How the Treatment Needs Question Can Be Answered

Childless adults will be able to answer the treatment needs question:

- Through the ACCESS website.
- Through the MyACCESS mobile app.
- By phone or in person with their IM agency.
- Through the paper Treatment Needs Question form, F-02547 (available February 3, 2020, through the Department of Health Services Forms Library or attached to the Verification Checklist).

The treatment needs question will be offered to all potential childless adults as part of their ACCESS application or renewal. Answering the question is not required for any applicant or member as a condition of submitting an application or renewal for health care. However, an applicant or member must answer the question to be eligible for BadgerCare Plus. Their answer will not affect their eligibility for health care benefits.

The application and the treatment needs question do not need to be completed in the same format. For example, someone who applies for health care online could answer the treatment needs question later in paper form.

The treatment needs question will be available in ACCESS and MyACCESS after the submission of an application, renewal, or change report for those childless adults who are determined to still need to take it.

Childless adults will be able to answer the treatment needs question at any time.

Real-Time Eligibility

Childless adults who answer the treatment needs question as part of the ACCESS application can have their eligibility determined through Real-Time Eligibility (RTE).

Administrative Renewals

Childless adults who are administratively renewed for the first time after February 1, 2020, will need to answer the treatment needs question within 20 days of the administrative renewal when a treatment needs question response is not on file. The administrative renewal letter will include information about answering the treatment needs question. If the childless adult does not answer the treatment needs question within that timeframe, eligibility will be terminated.

For subsequent administrative renewals, childless adults will be renewed based on their previous treatment needs question response. Their previous response will be included on a PIN-based summary sent at the same time as the administrative renewal letter and case summary. Childless adults will be asked to answer a new treatment needs question if their response has changed.

NOTIFICATION

Information on the treatment needs question requirement for childless adults will be included in the following:

- Verification Checklist
- Notice of Pending
- Notice of Decision
- Administrative renewal letter for members whose first renewal after February 1, 2020, is an administrative renewal

The case summary will only identify whether each childless adult has answered the required treatment needs question. To protect sensitive information, a separate PIN-based summary will be sent to each childless adult with his or her treatment needs question response. This summary will be sent any time a case summary (including an administrative renewal case summary) is generated.

BADGERCARE PLUS HEALTH SURVEY FOR CHILDLESS ADULTS

The optional BadgerCare Plus Health Survey (health survey) is available to all childless adults. The survey will collect self-attested answers to questions about healthy habits, health conditions that prevent healthy habits, or health risks. Examples of healthy habits are wearing a seatbelt, exercising, and not smoking.

The responses to the health survey will be used to determine premium reductions for childless adults. A premium reduction is granted when any one of the following is true:

- The childless adult reports at least one healthy habit.
- The childless adult reports having a health condition that prevents their ability to engage in a healthy habit.
- The childless adult reports managing their health risks.

The results of the health survey will be valid only for the certification period. When completing a new application or renewal, childless adults can complete a new health survey to determine if they qualify for a premium reduction. The answers to the previous health survey will not be carried over the the new certification period. Also, to account for renewal processing timeframes, a health survey completed in the previous 45 days will be valid at renewal.

The health survey is self-attested. IM agencies will not audit responses or pursue overpayments based on a reduction in the premium.

The health survey responses will be shared with the childless adult's HMO or MCO.

WHO CAN TAKE THE HEALTH SURVEY

Each childless adult can complete the health survey. One of the following may also complete the health survey on behalf of a childless adult:

- Authorized representative
- Financial power of attorney
- Legal guardian over the estate
- Someone authorized by the individual

HOW THE HEALTH SURVEY CAN BE TAKEN

Childless adults can take the health survey:

- Through the ACCESS website.
- Through the MyACCESS mobile app.
- By phone with the enrollment broker.
- Through the paper BadgerCare Plus Health Survey form, F-02548 (available February 3, 2020, through the Department of Health Services Forms Library).

Note: IM agencies will not administer, collect, or process the health survey. The enrollment broker will process paper surveys.

The health survey is not a condition of eligibility and is not part of the application or renewal. It is offered to childless adults as an optional action only after they submit an application or at renewal.

Childless adults may complete a health survey at any time, and there is no restriction on how often they may do so. The ability to complete the survey at any time will permit childless adults to provide an update for any change to a health risk behavior or condition. Only the results of the most recent survey will be used to calculate the premium and shared with the HMO or MCO. The reporting of new or additional healthy habits or health conditions will not result in a greater premium reduction.

ONE-TIME LETTER FOR CHILDLESS ADULTS

Existing members who are childless adults will receive a one-time letter that explains the new premium payment requirement, the treatment needs question requirement, and the opportunity to complete the health survey. The letter will be sent during the first year after implementation prior to renewal. It will be sent at the same time, but separately from, the member's administrative renewal letter or 45-day renewal letter.

CONTACTS

BEPS CARES Information and Problem Resolution Center

DHS/DMS/BEPS/NH