

BadgerCare Reform Waiver Overview

October 2019



Background

BadgerCare Reform

- 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 the Centers of Medicare & Medicaid Services (CMS) on October 31, 2018.
- Wisconsin Act 370 required implementation of the BadgerCare Reform changes by November 1, 2019.

BadgerCare Reform

- The BadgerCare Reform Waiver amendment includes the following changes for childless adult (CLA) members:
 - Community engagement (employment and training requirement) including a 48-month limit on benefits when in non-compliance
 - Monthly premiums
 - 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)
 - A mandatory question about drug use
- Waiver also increases coverage of residential substance use disorder (SUD) treatment for all full-benefit BadgerCare Plus and Medicaid members.

Proposed BadgerCare Reform Timing

- Pending Joint Finance Committee (JFC) approval of DHS' implementation plan:
 - Current members will receive an update notifying them of **monthly premiums and healthy behavior incentives**, the **drug use question** and the **copayment** for non-emergent use of the ED starting **November 1, 2019**.
 - Members will become subject to monthly premiums and the drug use question at application or next renewal after **February 1, 2020**.
 - 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 JFC for implementation of community engagement and residential SUD treatment.

Policy Overview

Premiums

- CLA members with income greater than 50% will be charged an \$8 monthly household premium.
- 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
- CLA members will be able to pay their premiums by check or money order, or by using a credit card, debit card, or banking account online through ACCESS or MyACCESS.

Premiums (cont.)

- Premiums will be applied at the time of a member's first application or next renewal starting **February 1, 2020**
- Premiums will be charged each month, but won't impact eligibility unless they are not paid by the end of their certification period (renewal).
- If the member has unpaid premiums at the end of their certification period or at renewal, they will be subject to a 6-month restrictive re-enrollment period (RRP).
- Members can regain eligibility by paying owed premiums anytime during the RRP.

Premiums (con't)

- After being placed in an RRP:
 - A member will not be determined eligible until they either pay their total outstanding premium balance or wait out the RRP and reapply for benefits.
 - If a member becomes eligible under a different category of BadgerCare Plus or Medicaid (e.g., they become pregnant) during the RRP, they may qualify for benefits under their new status.
 - Note: If their status changes back to CLA, their RRP would still exist.
 - If a member becomes exempt from premiums or their income drops to 50% or less of the FPL, they may regain benefits. If their income increases to above 50% of FPL, their RRP would still exist.

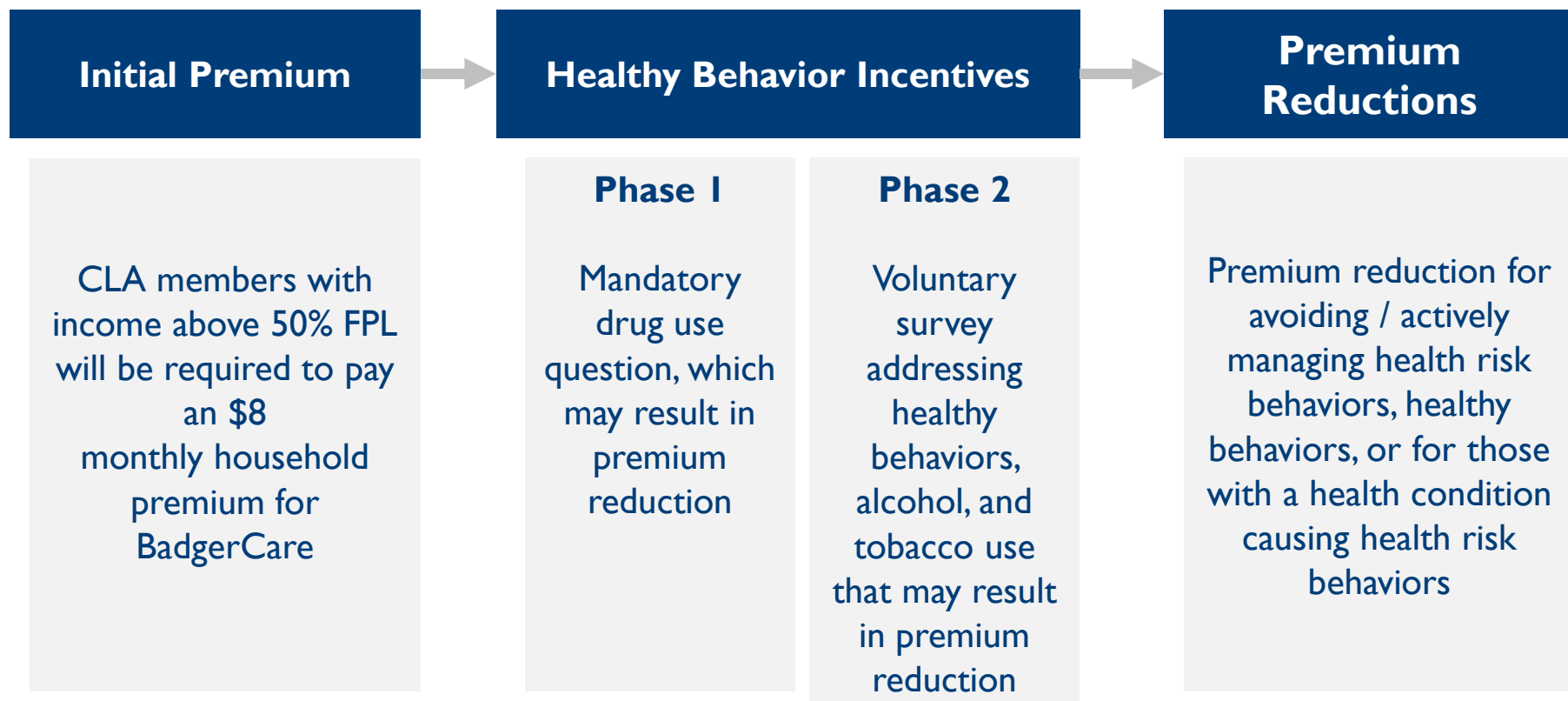
Healthy Behavior Incentives

- CLA members will be required, as a condition of eligibility, to answer a drug use question.
- CLA members will be able to answer the required question through ACCESS, MyACCESS, mail, in-person, or by telephone with their income maintenance (IM) agency.
- This will become applicable to CLAs at the time of a member's first application or renewal starting **February 1, 2020**.
- This information will be shared with their HMOs.

Healthy Behavior Incentives (cont.)

- CLA members may take an optional health survey.
- Their answers may lower their monthly premium.
- Their answers will be shared with their HMOs.
- The health survey can be answered through ACCESS or MyACCESS, and can be completed by mail or telephone through a third party vendor.
- Questions will address healthy behaviors and use of alcohol and tobacco.

Premiums & Healthy Behavior Incentives



Restrictive Reenrollment Period: Scenario I



Allison

Biography: Allison works part time while completing her GED. She completed the BadgerCare Plus Health Survey after she was approved for BadgerCare Plus as a childless adult and showed she had healthy behaviors, and brought her monthly premium from \$8 down to \$4.

Premium Non-Payment

Allison was planning to pay her premium at the end of the year, but because of an emergency housing cost she fails to pay her premiums for the year and is placed in an RRP



Ability to Pay Changes:

Allison picks up extra hours at her part time job and earns enough to pay back her late premium payments two months into her six month time in an RRP



What Happens?

Allison contacts her agency to pay her full outstanding premium balance and requests her coverage begin, including back-dated coverage for the previous two months

Restrictive Reenrollment Period: Scenario 2



John

Biography: John did not complete the BadgerCare Plus Health Survey, so his monthly premium amount is \$8. He usually pays for his premium monthly, but does not pay consistently.

Premium Non-Payment

John only pays premiums for 9 of the 12 months this year, so he goes into an RRP at his renewal



RRP:

John calls to re-enroll in healthcare during the RRP, and is informed that he can either pay the outstanding premium balance and re-apply, or wait for the RRP to end and then re-apply



What Happens?

John does not want to pay the balance from the previous certification period, so he must wait until the RRP is complete and then can reapply for healthcare benefits

Restrictive Reenrollment Period: Scenario 3



Julia

Biography: Julia and her husband are both Childless Adults. She completed an BadgerCare Plus Health Survey with her initial application and reported healthy behaviors, but her husband didn't, so their household premium is \$6 / month.

Premium Non-Payment

Julia's healthcare benefits have been terminated because she forgot to pay the monthly premiums and didn't have enough saved to pay for twelve months at her renewal, so Julia and her husband go into an RRP



Status Changes:

During the RRP, Julia finds out that she is pregnant! Her eligibility status has changed and she contacts her agency to re-request benefits and report her pregnancy



What Happens?

Julia is now approved for BadgerCare Plus healthcare benefits as a pregnant woman and is no longer a Childless Adult. Her husband is still classified as a Childless Adult and his RRP remains

ED Copayment

- \$8 copayment will be charged for members who use the ED for non-emergent care.
- The copayment will be collected by the ED.
- The copayment will be waived if the visit is determined by the provider to be emergent using prudent person standard.
- The copayment for non-emergent use of the ED will be charged for any CLA starting **February 1, 2020**, at the time of ED use.

Community Engagement

- CLA members ages 19 through 49 are required to complete at least 80 hours per month of qualifying activities.
- Qualifying activities include, but are not limited to paid work, unpaid work, in-kind work, and allowable job training or job search programs such as FSET.
- Individuals will be able to report activities through a new module in ACCESS and MyACCESS, as well as by phone, in-person, or mail.

Community Engagement (cont.)

- CLA members will be exempt for a given month if they meet certain criteria, including if they:
 - Are unable to work or participate in workforce training activities due to a disability
 - Attending school at least half-time
 - Meet any of the current FoodShare work requirement exemptions

Community Engagement (cont.)

- CLA members who have not met the community engagement requirement for 48 aggregate (not necessarily consecutive) months will be disenrolled from BadgerCare Plus and will not be able to re-enroll as a CLA member for 6 months.
 - Members deemed exempt will not accrue months towards the 48 month limit while they are exempt.

Residential Substance Use Disorder (SUD) Coverage

- DHS will implement a new benefit to cover short-term residential treatment services in facilities previously excluded from reimbursement.
- This expansion removes barriers to treatment and is part of Wisconsin's comprehensive strategy for combating SUDs, including opioid use disorders.
- This treatment coverage will be available to all full-benefit BadgerCare Plus and Medicaid members

Communication & Outreach

Member Communication

- ForwardHealth Member Update
 - The Update is a one-time letter that will provide an overview of all upcoming changes.
- 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.

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 monthly premium statement, are being created to provide information to members affected by the new policies.

Partner Tool Kit

- DHS will provide a tool kit to assist our partners with education:
 - Includes FAQs, talking points, a flyer, and other materials containing information about the new policies.
 - Will be made available to all stakeholders for use when engaging with members.
 - Other communications will include emails, updates on the DHS website, fact sheets, social media, etc.

When are policies going into effect?

- Pending JFC approval of DHS' implementation plan:
 - **Monthly premiums, healthy behavior incentives and drug use question:**Applicable at the time of a members first application or next renewal starting **February 1, 2020.**
 - **ED Copayment for non-emergent use of the ED:**Applicable starting **February 1, 2020**, at the time of ED use.
 - DHS has requested a 90-day extension from JFC for implementation of community engagement and residential SUD treatment.

Next Steps

We will continue to provide updates as we move forward.

If you have comments/questions, please send them to
DHSWisconsin115CLAWaiver@dhs.wisconsin.gov