



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-0957/P5
TJD:jek/kjf/ahe

DOA:.....Dombrowski, BB0126 - Changes to MAPP program

FOR 2017-2019 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

This bill makes changes to the income eligibility and premium methodology for the Medical Assistance Purchase Plan program and to the financial eligibility determinations for certain long-term care and Medical Assistance programs to the extent those changes are approved by the federal government.

The bill changes the premium methodology for MAPP. Under the bill, every individual receiving MAPP benefits must pay a premium of \$25 per month unless the premium would be an undue hardship, as determined by DHS. An individual whose income exceeds 100 percent of the federal poverty line must also pay 3 percent of his or her adjusted earned and unearned income that exceeds 100 percent of the FPL. The bill excludes actual out-of-pocket medical and remedial expenses, long-term care costs, and impairment-related work expenses from income for purposes of determining the premium for MAPP and excludes from income for purposes of determining eligibility under MAPP medical and remedial expenditures and long-term care costs in excess of \$500 per month that would be incurred by the individual in absence of coverage under MAPP or a Medicaid long-term care program.

For determinations of financial eligibility and any cost-sharing requirements for COP, for certain community integration programs, the Family Care program,

Family Care partnership, IRIS, and certain Medical Assistance programs the bill requires DHS to exclude any assets accumulated in a person's independence account and any assets from retirement benefits accumulated from income or employer contributions while employed and receiving state-funded benefits under COP or MAPP benefits. The bill sets the same requirement for excluding retirement benefits from eligibility determinations for the MAPP program as assets accumulated in an independence account are already excluded under current law.

The bill also changes the income limit for Medical Assistance program eligibility for certain elderly, blind, or disabled individuals who are medically needy to 100 percent of the federal poverty line for a family the size of the individual's family. Currently, the income limit for these individuals is this combined benefit amount or 133 and one-third percent of the maximum aid to families with dependent children payment, whichever is lower.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 46.269 of the statutes is created to read:

46.269 Determining financial eligibility for long-term care programs.

To the extent approved by the federal government, the department or its designee shall exclude any assets accumulated in a person's independence account, as defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or accumulated from income or employer contributions while employed and receiving state-funded benefits under s. 46.27 or medical assistance under s. 49.472 in determining financial eligibility and cost-sharing requirements, if any, for a long-term care program under s. 46.27, 46.275, or 46.277, for the family care program that provides the benefit defined in s. 46.2805 (4), for the Family Care Partnership program, or for the self-directed services option, as defined in s. 46.2897 (1).

SECTION 2. 49.46 (1) (em) of the statutes is created to read:

49.46 (1) (em) To the extent approved by the federal government, for the purposes of determining financial eligibility and any cost-sharing requirements of an individual under par. (a) 6m., 14., or 14m., (d) 2., or (e), the department or its designee shall exclude any assets accumulated in a person's independence account, as defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned or accumulated from income or employer contributions while employed and receiving state-funded benefits under s. 46.27 or medical assistance under s. 49.472.

SECTION 3. 49.47 (4) (c) 1. of the statutes is amended to read:

49.47 (4) (c) 1. ~~Except~~ To the extent approved by the federal government and ~~except~~ as provided in par. (am), eligibility exists if income does not exceed ~~133 1/3~~ 100 percent of the ~~maximum aid to families with dependent children payment under s. 49.19 (11) poverty line~~ for the applicant's family size ~~or the combined benefit amount available under supplemental security income under 42 USC 1381 to 1383c and state supplemental aid under s. 49.77 whichever is lower~~. In this subdivision "income" includes earned or unearned income that would be included in determining eligibility for the individual or family under s. 49.19 or 49.77, or for the aged, blind or disabled under 42 USC 1381 to 1385. "Income" does not include earned or unearned income which would be excluded in determining eligibility for the individual or family under s. 49.19 or 49.77, or for the aged, blind or disabled individual under 42 USC 1381 to 1385.

SECTION 4. 49.472 (3) (a) of the statutes is amended to read:

49.472 (3) (a) The individual's family's net income is less than 250 percent of the poverty line for a family the size of the individual's family. In calculating the net income, the department shall apply all of the exclusions specified under 42 USC 1382a (b) and to the extent approved by the federal government shall exclude

medical and remedial expenditures and long-term care costs in excess of \$500 per month that would be incurred by the individual in absence of coverage under the medical assistance purchase plan or a Medicaid long-term care program.

SECTION 5. 49.472 (3) (b) of the statutes is amended to read:

49.472 (3) (b) The individual's assets do not exceed \$15,000. In determining assets, the department may not include assets that are excluded from the resource calculation under [42 USC 1382b](#) (a) or, assets accumulated in an independence account, and, to the extent approved by the federal government, assets from retirement benefits accumulated from income or employer contributions while employed and receiving medical assistance under this section or state-funded benefits under s. 46.27. The department may exclude, in whole or in part, the value of a vehicle used by the individual for transportation to paid employment.

SECTION 6. 49.472 (3) (f) of the statutes is amended to read:

49.472 (3) (f) The individual maintains premium payments under sub. (4) (am) and, if applicable and to the extent approved by the federal government, premium payments calculated by the department in accordance with sub. (4) (bm), unless the individual is exempted from premium payments under sub. (4) (b) (dm) or (5).

SECTION 7. 49.472 (3) (g) of the statutes is amended to read:

49.472 (3) (g) The individual is engaged in gainful employment or is participating in a program that is certified by the department to provide health and employment services that are aimed at helping the individual achieve employment goals. To the extent approved by the federal government, an individual shall prove gainful employment and earned income to the department by providing wage income or prove in-kind work income by federal tax filing documentation. To qualify as

gainful income, the amount of in-kind income shall be equal to or greater than the minimum amount for which federal income tax reporting is required.

SECTION 8. 49.472 (4) (a) (intro.) of the statutes is renumbered 49.472 (4) (am) and amended to read:

49.472 (4) (am) ~~Except~~ To the extent approved by the federal government and except as provided in ~~par. (b)~~ pars. (dm) and (em) and sub. (5), an individual who is ~~eligible for medical assistance under sub. (3) and receives medical assistance under this section~~ shall pay a monthly premium of \$25 to the department. ~~The department shall establish the monthly premiums by rule in accordance with the following guidelines:~~

SECTION 9. 49.472 (4) (a) 1. of the statutes is repealed.

SECTION 10. 49.472 (4) (a) 2. of the statutes is repealed.

SECTION 11. 49.472 (4) (a) 2m. of the statutes is repealed.

SECTION 12. 49.472 (4) (a) 3. of the statutes is repealed.

SECTION 13. 49.472 (4) (b) of the statutes is repealed.

SECTION 14. 49.472 (4) (bm) of the statutes is created to read:

49.472 (4) (bm) To the extent approved by the federal government, in addition to the \$25 monthly premium under par. (am), an individual who receives medical assistance under this section and whose individual income exceeds 100 percent of the poverty line for a single-person household shall pay 3 percent of his or her adjusted earned and unearned monthly income under par. (cm) that is in excess of 100 percent of the poverty line.

SECTION 15. 49.472 (4) (cm) of the statutes is created to read:

49.472 (4) (cm) For the purposes of par. (bm), an individual's adjusted earned and unearned monthly income is calculated by subtracting from the individual's

earned and unearned monthly income his or her actual out-of-pocket medical and remedial expenses, long-term care costs, and impairment-related work expenses.

SECTION 16. 49.472 (4) (dm) of the statutes is created to read:

49.472 (4) (dm) The department shall temporarily waive an individual's monthly premium under par. (am) and, if applicable, par. (bm) when the department determines that paying the premium would be an undue hardship on the individual.

SECTION 17. 49.472 (4) (em) of the statutes is created to read:

49.472 (4) (em) If the department determines that a state plan amendment or waiver of federal Medicaid law is necessary to implement the premium methodology under this subsection and changes to the income and asset eligibility under sub. (3) and s. 49.47 (4) (c) 1., the department shall submit a state plan amendment or waiver request to the federal department of health and human services requesting those changes. If a state plan amendment or waiver is not necessary or if the federal department of health and human services does not disapprove the state plan amendment or waiver request, the department may implement subs. (3) and (4) and s. 49.47 (4) (c) 1. with any adjustments from the federal department of health and human services. If the federal department of health and human services disapproves the state plan amendment or waiver request in whole or in part, the department may implement the income and asset eligibility requirements and premium methodology under subs. (3) and (4), 2015 stats., and s. 49.47 (4) (c) 1., 2015 stats.

SECTION 18. 49.472 (5) of the statutes is amended to read:

49.472 (5) COMMUNITY OPTIONS PARTICIPANTS. From the appropriation under s. 20.435 (4) (bd), the department may pay all or a portion of the monthly premium calculated under sub. (4) (a) for an individual who is a participant in the community options program under s. 46.27 (11).

SECTION 19. 49.472 (6) (a) of the statutes is amended to read:

49.472 (6) (a) Notwithstanding sub. (4) (a) ~~3~~, from the appropriation accounts under s. 20.435 (4) (b), (gm), or (w), the department shall, on the part of an individual who is eligible for medical assistance under sub. (3), pay premiums for or purchase individual coverage offered by the individual's employer if the department determines that paying the premiums for or purchasing the coverage will not be more costly than providing medical assistance.

SECTION 9320. Initial applicability; Health Services.

(1) MEDICAL ASSISTANCE INCOME; MEDICAL ASSISTANCE PURCHASE PLAN. The treatment of sections 46.269, 49.46 (1) (em), 49.47 (4) (c) 1., and 49.472 (3) (a), (b), (f), and (g), (4) (a) (intro.), 1., 2., 2m., and 3., (b), (bm), (cm), (dm), and (em), (5), and (6) (a) of the statutes first applies to determinations of initial eligibility and cost-sharing and reviews for continued eligibility and cost-sharing on the effective date of this subsection or on the first day of the 4th month beginning after the date of federal approval of the state plan amendment or waiver request, whichever is later.

SECTION 9420. Effective dates; Health Services.

(1) MEDICAL ASSISTANCE INCOME; MEDICAL ASSISTANCE PURCHASE PLAN. The treatment of sections 46.269, 49.46 (1) (em), 49.47 (4) (c) 1., and 49.472 (3) (a), (b), (f), and (g), (4) (a) (intro.), 1., 2., 2m., and 3., (b), (bm), (cm), (dm), and (em), (5), and (6) (a) of the statutes and SECTION 9320 (1) of this act take effect on July 1, 2018.

(END)