

State of Misconsin 2007 - 2008 LEGISLATURE

PJK:bjk:jb

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 AN ACT to repeal 49.471 (6) (e); to renumber 46.286 (1) (b) (intro.), 46.286 (1)

(b) 1m. and 46.286 (1) (b) 3.; to renumber and amend 49.471 (5) (c) and 49.471

(6) (a); to amend 46.286 (3) (a) 4m., 49.471 (3) (b) 1. (intro.), 49.471 (3) (b) 1. c.,

49.471 (3) (b) 2., 49.471 (4) (a) 4. a., 49.471 (4) (b) 4. a., 49.471 (5) (b) 1., 49.471

 $(5) \ (b) \ 2., \ 49.471 \ (7) \ (b) \ 1., \ 49.471 \ (7) \ (b) \ 3., \ 49.471 \ (7) \ (c) \ 1., \ 49.471 \ (8) \ (d) \ 2. \ c.$

and 49.471 (10) (b) 5.; and to create 46.286 (1) (b) 1c., 49.471 (4) (a) 7., 49.471

(5) (c) 1., 49.471 (6) (a) 1., 49.471 (8) (d) 1. f. and 49.471 (10) (b) 4. g. of the

statutes; **relating to:** changes to BadgerCare Plus.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version. Very 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:

9 SECTION 1. 46.286 (1) (b) (intro.) of the statutes, as affected by 2007 Wisconsin 10 Act 20, is renumbered 46.286 (1) (b) 2m. (intro.).

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1	SECTION 2. 46.286 (1) (b) 1c. of the statutes is created to read:
2	46.286 (1) (b) 1c. In this paragraph, "medical assistance" does not include
3	coverage of the benefits under s. 49.471 (11).
4	SECTION 3. 46.286 (1) (b) 1m. of the statutes, as affected by 2007 Wisconsin Act
5	20, is renumbered 46.286 (1) (b) 2m. a.
6	SECTION 4. 46.286 (1) (b) 3. of the statutes, as affected by 2007 Wisconsin Act
7	20, is renumbered 46.286 (1) (b) 2m. b.
8	SECTION 5. 46.286 (3) (a) 4m. of the statutes, as affected by 2007 Wisconsin Act
9	20, is amended to read:
10	46.286 (3) (a) 4m. The person is financially eligible under sub. (1) (b) $\frac{1}{1}$ 2m.
11	a., and fulfills any applicable cost-sharing requirements.
12	SECTION 6. 49.471 (3) (b) 1. (intro.) of the statutes, as created by 2007 Wisconsin
13	Act 20, is amended to read:
14	49.471 (3) (b) 1. (intro.) If an individual over 18 years of age who is eligible for
15	and receiving Medical Assistance benefits under s. 49.46, 49.47, or 49.665 in the
16	month before BadgerCare Plus is implemented loses that eligibility solely due to the
17	implementation of BadgerCare Plus and, because of his or her income, is not eligible
18	for BadgerCare Plus, the individual shall continue receiving for 18 $\underline{12}$ consecutive
19	months the medical assistance he or she was receiving before the implementation of
20	BadgerCare Plus if all of the following are satisfied:
21	SECTION 7. 49.471 (3) (b) 1. c. of the statutes, as created by 2007 Wisconsin Act
22	20, is amended to read:
23	49.471 (3) (b) 1. c. The individual continues to meet meets all nonfinancial
24	eligibility requirements for the coverage that he or she had in the month before the
25	implementation of BadgerCare Plus under this section.

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ì	SECTION 8. 49.471 (3) (b) 2. of the statutes, as created by 2007 Wisconsin Act
2	20, is amended to read:
3	49.471 (3) (b) 2. Notwithstanding subd. 1., if at any time during an individual's
4	18-month 12-month eligibility extension under subd. 1. any criterion under subd.
5	1. a. to d. is not satisfied, the individual's eligibility for the extended coverage is
6	terminated and any time remaining in the eligibility period is lost.
7	SECTION 9. 49.471 (4) (a) 4. a. of the statutes, as created by 2007 Wisconsin Act
8	20, is amended to read:
9	49.471 (4) (a) 4. a. The individual is a parent or caretaker relative of a child who
10	is living in the home with the parent or caretaker relative or who is temporarily
11	absent from the home for not more than 6 months or, if the child has been removed
12	from the home for more than 6 months, the parent or caretaker relative is working
13	toward unifying the family by complying with a permanency plan under s. 48.38 or
14	<u>938.38</u> .
15	Section 10. 49.471 (4) (a) 7. of the statutes is created to read:
16	49.471 (4) (a) 7. Individuals who qualify for a medical assistance eligibility
17	extension under s. $49.46(1)(c)$, (cg) , or (co) when they lose eligibility due to increased
18	incomes increases above the poverty line
19	SECTION 11. 49.471 (4) (b) 4. a. of the statutes, as created by 2007 Wisconsin
20	Act 20, is amended to read:
21	49.471 (4) (b) 4. a. The individual is a parent or caretaker relative of a child who
22	is living in the home with the parent or caretaker relative or who is temporarily
23	absent from the home for not more than 6 months or, if the child has been removed
24	from the home for more than 6 months, the parent or caretaker relative is working

1	toward unifying the family by complying with a permanency plan under s. 48.38 or
2	<u>938.38</u> .
3	SECTION 12. 49.471 (5) (b) 1. of the statutes, as created by 2007 Wisconsin Act
4	20, is amended to read:
5	49.471 (5) (b) 1. Except as provided in sub. (6) (a) 1., a pregnant woman is
6	eligible for the benefits specified in par. (c) during the period beginning on the day
7	on which a qualified provider determines, on the basis of preliminary information,
8	that the woman's family income does not exceed 300 percent of the poverty line and
9	ending on the applicable day specified in subd. 3.
10	SECTION 13. 49.471 (5) (b) 2. of the statutes, as created by 2007 Wisconsin Act
11	20, is amended to read:
12	49.471 (5) (b) 2. Except as provided in sub. (6) (a) $\underline{2}$, a child who is not an unborn
13	child is eligible for the benefits described in s. 49.46 (2) (a) and (b) during the period
14	beginning on the day on which a qualified entity determines, on the basis of
15	preliminary information, that the child's family income does not exceed 150 percent
16	of the poverty line and ending on the applicable day specified in subd. 3.
17	SECTION 14. 49.471 (5) (c) of the statutes, as created by 2007 Wisconsin Act 20,
18	is renumbered 49.471 (5) (c) 2. and amended to read:
19	49.471 (5) (c) 2. On behalf of a woman under par. (b) 1. whose family income
20	exceeds 200 percent of the poverty line, the department shall audit and pay allowable
21	charges to a provider certified under s. $49.45(2)(a)$ 11. only for ambulatory prenatal
22	care services under the benefits under sub. (11).
23	SECTION 15. 49.471 (5) (c) 1. of the statutes is created to read:
24	49.471 (5) (c) 1. On behalf of a woman under par. (b) 1. whose family income

does not exceed 200 percent of the poverty line, the department shall audit and pay

1	allowable charges to a provider certified under s. $49.45(2)(a)11$. only for ambulatory
2	prenatal care services under the benefits described in s. 49.46 (2) (a) and (b).
3	SECTION 16. 49.471 (6) (a) of the statutes, as created by 2007 Wisconsin Act 20
4	is renumbered 49.471 (6) (a) 2. and amended to read:
5	49.471 (6) (a) 2. Any pregnant woman, including a pregnant woman under suk
6	(5) (b) 1., child who is not an unborn child, including a child under sub. (5) (b) 2.
7	parent, or caretaker relative whose family income is less than 150 percent of the
8	poverty line is eligible for medical assistance under this section for any of the
9	months prior to the month of application if the individual met the eligibility criteria
10	under this section and had a family income of less than 150 percent of the poverty
11	line in that month.
12	SECTION 17. 49.471 (6) (a) 1. of the statutes is created to read:
13	49.471 (6) (a) 1. Any pregnant woman, including a pregnant woman under sub
14	(5) (b) 1., is eligible for medical assistance under this section for any of the 3 months
15	prior to the month of application if she met the eligibility criteria under this section
16	in that month.
17	SECTION 18. 49.471 (6) (e) of the statutes, as created by 2007 Wisconsin Act 20
18	is repealed.
19	SECTION 19. 49.471 (7) (b) 1. of the statutes, as created by 2007 Wisconsin Act
20	20, is amended to read:
21	49.471 (7) (b) 1. A pregnant woman, or an unborn child, whose family income
22	exceeds 300 percent of the poverty line may become eligible for coverage under this
23	section if the difference between the pregnant woman's or unborn child's family
24	income and the applicable income limit under sub. (4) (b) is obligated or expended

for any member of the pregnant woman's or unborn child's family for medical care

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or any other type of remedial care recognized under state law or for personal health insurance premiums or for both. Eligibility obtained under this subdivision continues without regard to any change in family income for the balance of the pregnancy and, for a pregnant woman but not for an unborn child, to the last day of the month in which the 60th day after the last day of the woman's pregnancy falls. Eligibility obtained by a pregnant woman under this subdivision extends to all pregnant women in the pregnant woman's family.

SECTION 20. 49.471 (7) (b) 3. of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (7) (b) 3. For a pregnant woman or an unborn child to obtain eligibility under subd. 1., the amount that must be obligated or expended in any 6-month period is equal to the sum of the differences in each of those 6 months between the pregnant woman's or unborn child's monthly family income and the monthly family income that is 300 percent of the poverty line. For a child to obtain eligibility under subd. 2., the amount that must be obligated or expended in any 6-month period is equal to the sum of the differences in each of those 6 months between the child's monthly family income and the monthly family income that is 150 percent of the poverty line.

SECTION 21. 49.471 (7) (c) 1. of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (7) (c) 1. Deduct from family income any payments made by amount the individual is obligated to pay for court-ordered child or family support or maintenance.

SECTION 22. 49.471 (8) (d) 1. f. of the statutes is created to read:

49.471 (8) (d) 1. f. An individual described in sub. (4) (a) 7.

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the individual's income,

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SECTION 23. 49.471 (8) (d) 2. c. of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (8) (d) 2. c. One or more members of the individual's family were eligible for other health insurance coverage or Medical Assistance under s. 49.46 or 49.47 at the time the employee failed to enroll in the health insurance coverage under par. (b) 1. and no member of the family was eligible for coverage under this section at that time or, if one or more members of the individual's family were eligible for coverage under this section at that time, family income did not exceed 150 percent of the poverty line or the individual qualified for a medical assistance eligibility extension as provided in sub. (4) (a) 7.

SECTION 24. 49.471 (10) (b) 4. g. of the statutes is created to read:

49.471 (10) (b) 4. g. An individual described in sub. (4) (a) 7.

SECTION 25. 49.471 (10) (b) 5. of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (10) (b) 5. If a recipient who is required to pay a premium under this paragraph or under sub. (2m) or (4) (c) either does not pay a premium when due or requests that his or her coverage under this section be terminated, the recipient's coverage terminates and the recipient is not eligible for BadgerCare Plus for 6 consecutive calendar months following the date on which the recipient's coverage terminated, except for any month during that 6-month period when the recipient's family income does not exceed 150 percent of the poverty line.

22 (END)

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2007-2008 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

INSERT 2-11

1	SECTION 1. 49.45 (18) (am) of the statutes, as affected by 2007 Wisconsin Act
2	20, is renumbered 49.45 (18) (am) 1. and amended to read:
3	49.45 (18) (am) 1. No Except as provided in subd. 2., no person is liable under
4	this subsection for services provided through prepayment contracts. This paragraph
5	does not apply to a person who is eligible for the benefits under s. 49.46 (2) (a) and
6	(b) under s. 49.471.
	History: 2007 a. 20.
7	SECTION 2. 49.45 (18) (am) 2. of the statutes is created to read:
8	49.45 (18) (am) 2. A person who is eligible for benefits under s. 49.46 (2) (a) and
9	(b) under s. 49.471 is liable under this subsection for services provided through a
10	prepayment contract in the amounts and according to the procedures specified by the
11	department.
	****NOTE: If the department determines the amounts and procedures, is it accurate to say that the person is liable <i>under this subsection</i> ? Does <i>under this subsection</i> refer to cost sharing in general or to the specific amounts, etc., included in the subsection?
12	SECTION 3. 49.45 (18) (b) 2. of the statutes is amended to read:
13	49.45 (18) (b) 2. Any service provided to a person who is less than 18 years old.
14	This subdivision does not apply if the person's family income exceeds 100 percent of
15	the poverty line and he or she is eligible for the benefits under s. 49.46 (2) (a) and (b)
16	under s. 49.471.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109; 2003 a. 33, 318, 321; 2005 a. 22; 2005 a. 25 ss. 1120 to 1149f, 2503 to 2510; 2005 a. 107, 165, 253, 254, 264, 301, 340, 386, 441.

SECTION 4. 49.471 (2) of the statutes, as created by 2007 Wisconsin Act 20, is

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amended to read: 18



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49.471 (2) Waiver and state plan amendments. The department shall request a waiver from, and submit amendments to the state Medical Assistance plan to, the secretary of the federal department of health and human services to implement BadgerCare Plus. If the state plan amendments are approved and a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted and in effect, the department shall implement BadgerCare Plus beginning on January 1, 2008, the effective date of the state plan amendments, or the effective date of the waiver, whichever is latest. If the state plan amendments are approved but the terms of approval do not allow for federal funding of the cost of benefits for all or any part of one or more of the eligibility categories under sub. (4) (b), the department may at its discretion pay for the cost of benefits for all or any part of any group for which federal funding was denied exclusively with moneys from the appropriation under s. 20.435 (4) (b). If the state plan amendments are not approved or if a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is not granted, BadgerCare Plus may not be implemented. If the state plan amendments are approved but approval is not continued or if a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted but not continued in effect, BadgerCare Plus shall be discontinued.

History: 2007 a. 20.

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SECTION 5. 49.471 (3) (a) 1. of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (3) (a) 1. Notwithstanding ss. 49.46 (1), 49.465, 49.47 (4), and 49.665 (4), if the amendments to the state plan under sub. (2) are approved and a waiver under sub. (2) that is <u>substantially</u> consistent with <u>all-of</u> the provisions of this section, excluding sub. (2m), is granted and in effect, an individual described in sub. (4) (a)



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or (b) or (5) is not eligible under s. 49.46, 49.465, 49.47, or 49.665 for Medical Assistance or BadgerCare health program benefits. The eligibility of an individual described in sub. (4) (a) or (b) or (5) for Medical Assistance benefits shall be determined under this section.

History: 2007 a. 20.

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(END OF INSERT 2-11)

INSERT 6-7

Section 6. 49.471 (7) (b) 2. of the statutes, as created by 2007 Wisconsin Act

49.471 (7) (b) 2. A child who is not an unborn child and, whose family income exceeds 150 percent of the poverty line, and who is ineligible under this section solely because of sub. (8) (b) may obtain eligibility under this section if the difference between the child's family income and 150 percent of the poverty line is obligated or expended on behalf of the child or any member of the child's family for medical care or any other type of remedial care recognized under state law or for personal health insurance premiums or for both. Eligibility obtained under this subdivision during any 6-month period, as determined by the department, continues for the remainder of the 6-month period and extends to all children in the family.

History: 2007 a. 20.

 ${}^{****}\mbox{Note:}$ This change was not included in the original instructions. I hope I'm not missing anything else.

(END OF INSERT 6-7)

INSERT 6-23

****NOTE: I wasn't quite sure about this change, since it seems that the end result be the same regardless of whether the child support obligation is deducted from one individual's income or the family's income (since this affects the determination of an



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SECTION 7. 49.471 (10) (a) of the statutes, as created by 2007 Wisconsin Act 20,

individual's family income). Is the important part the fact that the deduction may not exceed the income of the person who has the obligation?

(END OF INSERT 6-23)

INSERT 7-10

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2 is amended to read: 49.471 (10) (a) Copayments. Except as provided in s. 49.45 (18) (am) 2. and (b) 3 2., all cost-sharing provisions under s. 49.45 (18) apply to a recipient with coverage 4 of the benefits described in s. 49.46 (2) (a) and (b) to the same extent as they apply 5 6 to a person eligible for medical assistance under s. 49.46, 49.468, or 49.47. History: 2007 a. 20. (END OF INSERT 7-10) INSERT 7-21 SECTION 8. 49.471 (12) (b) of the statutes, as created by 2007 Wisconsin Act 20, 7 8 is amended to read: 49.471 (12) (b) If the amendments to the state plan submitted under sub. (2) 9 are approved and a waiver that is substantially consistent with all of the provisions 10 of this section is granted and in effect, the department shall publish a notice in the 11 Wisconsin Administrative Register that states the date on which BadgerCare Plus 12 13 is implemented. History: 2007 a. 20. 14 Section 9. Effective date. (1) This act takes effect on the date stated in the Wisconsin Administrative 15



Register by the department of health and family services under section 49.471 (12)

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- $1 \hspace{1cm} \hbox{(b) of the statutes, as affected by this act, as the implementation date for Badger Care} \\$
- Plus.

(END OF INSERT 7-21)

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3510/P2dn PJK:...:

List

Date

I amended s. 49.471 (3) (a) 1. and (12) (b) so that the language is consistent with the language of s. 49.471 (2), as it was amended in Act 20.

Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.wisconsin.gov

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3510/P2dn PJK:bjk&kjf:pg

December 7, 2007

I amended s. 49.471 (3) (a) 1. and (12) (b) so that the language is consistent with the language of s. 49.471 (2), as it was amended in Act 20.

Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.wisconsin.gov

Kahler, Pam

From: Sent:

John LaPhilliph [LAPHIJO@dhfs.state.wi.us] Monday, December 10, 2007 10:12 AM

To:

Kahler, Pam

Cc:

Jones, James D - DHFS; Gauger, Michelle C - DOA

Subject:

Re: Fwd: FW: Draft review: LRB 07-3510/P2, Additional Changeto BadgerCare Plus

Pam, the changes you made to s. 49.471 (3) (a) 1. and (12) (b) in the P2 draft are exactly what we needed. You managed to make the change before we got around to asking for it, so sorry for the confusion. Thank you.

John

NOTICE: This email and any attachments may contain confidential information. Use and further disclosure of the information by the recipient must be consistent with applicable laws, regulations and agreements. If you received this email in error, please notify the sender; delete the email; and do not use, disclose or store the information it contains.

>>> "Gauger, Michelle C - DOA" <Michelle.Gauger@Wisconsin.gov> >>> 12/10/2007 9:59 AM >>> Jim.

Please see Pam's response.

----Original Message----

From: Kahler, Pam [mailto:Pam.Kahler@legis.wisconsin.gov]

Sent: Monday, December 10, 2007 9:57 AM

To: Gauger, Michelle C - DOA

Subject: RE: Draft review: LRB 07-3510/P2, Additional Change to BadgerCare Plus

In the P2 version, I amended both s. 49.471 (3) (a) 1. and (12) (b) to be consistent with the change that I made in the budget to s. 49.471 (2). My drafter's note indicates that. Could you tell me what change they now want to s. 49.471 (12) (b)?

----Original Message----

From: Gauger, Michelle C - DOA [mailto:Michelle.Gauger@Wisconsin.gov] Sent: Monday, December 10, 2007 8:23 AM

To: Kahler, Pam

Cc: Jones, James D - DHFS; Johnston, James - DOA

Subject: Draft review: LRB 07-3510/P2, Additional Change to BadgerCare Plus

Good morning, Pam,

I hope you had a nice weekend.

DHFS reviewed the P2 version of the draft and Neil Gebhart responded to the drafter's note below. In addition, Jim Jones notes that there is an inconsistency between the changes enacted in Act 20 and 49.471(12)(b). Can you please make this final change?

Thank you!

Michelle Gauger

----Original Message----

From: Jones, James [mailto:JONESJD@dhfs.state.wi.us]

Sent: Monday, December 10, 2007 8:12 AM

To: Gauger, Michelle C - DOA; [doa.state.wi.us];.james.johnston Subject: Re: Fwd: FW: Draft review: LRB 07-3510/P2 Topic: Changes to BadgerCare Plus

There was one question in the draft (Section 7) that Neil answers below.

Otherwise we have no comments.

We did however find an inconsistency that needs to be addressed. It appears that we need to amend 49.471(12)(b) because it has that requirement that we can't implement until we get approval of all waivers and state plan amendments that are consistent with ALL BC+ provisions.

This is similar to the provision in (2) that was changed in the budget bill before it went to Doyle.

My suggestion for wording of a request is the following:

The Department of Health and Family Services requests the following changes to the draft Technical Amendments to Wisconsin Act 20, which concerns the BadgerCare Plus program.

s. 49.471 (12)(b)

* * * * * * * *

While the Department needs federal approval to provide funding for BadgerCare Plus (BC+), we are concerned that if we specify that the federal government has to approve BC+ exactly as it is written in statute, we run the risk of minor differences preventing the Department from implementing the program. Please make the following changes.

"(b) If the amendments to the state plan submitted under sub. (2) are approved and a waiver that is substantially consistent with all of the provisions of this section is granted and in effect, the department shall publish a notice in the Wisconsin Administrative Register that states the date on which BadgerCare Plus is implemented."

>>> Neil Gebhart 12/10/2007 7:59 AM >>> I think it is accurate to say "is liable under this subsection" unless we want to charge BC+ standard plan HMO enrollees copay amounts for prescription drugs that differ from the \$1 for generics and \$3 for brand names that MA FFS members pay, which I don't believe is the case. The generic and brand name drug copays are the only ones for which a dollar value is specified in the statute.



State of Misconsin 2007 - 2008 LEGISLATURE



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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1600) 100) 100)

Zoon Bill Inserts

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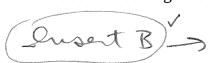
reger cax.

AN ACT to repeal 49.471 (6) (e); to renumber 46.286 (1) (b) (intro.), 46.286 (1) (b) 1m. and 46.286 (1) (b) 3.; to renumber and amend 49.45 (18) (am), 49.471 (5) (c) and 49.471 (6) (a); to amend 46.286 (3) (a) 4m., 49.45 (18) (b) 2., 49.471 (2), 49.471 (3) (a) 1., 49.471 (3) (b) 1. (intro.), 49.471 (3) (b) 1. c., 49.471 (3) (b) 2., 49.471 (4) (a) 4. a., 49.471 (4) (b) 4. a., 49.471 (5) (b) 1., 49.471 (5) (b) 2., 49.471 (7) (b) 1., 49.471 (7) (b) 2., 49.471 (7) (b) 3., 49.471 (7) (c) 1., 49.471 (8) (d) 2. c., 49.471 (10) (a), 49.471 (10) (b) 5. and 49.471 (12) (b); and to create 46.286 (1) (b) 1c., 49.45 (18) (am) 2., 49.471 (4) (a) 7., 49.471 (5) (c) 1., 49.471 (6) (a) 1., 49.471 (8) (d) 1. f. and 49.471 (10) (b) 4. g. of the statutes; relating to: changes to BadgerCare Plus.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

Gix component



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:

	,
1	SECTION 1. 46.286 (1) (b) (intro.) of the statutes, as affected by 2007 Wisconsin
2	Act 20, is renumbered 46.286 (1) (b) 2m. (intro.).
3	SECTION 2. 46.286 (1) (b) 1c. of the statutes is created to read:
4	46.286 (1) (b) 1c. In this paragraph, "medical assistance" does not include
5	coverage of the benefits under s. 49.471 (11).
6	SECTION 3. $46.\overset{\lor}{286}$ (1) (b) 1m. of the statutes, as affected by 2007 Wisconsin Act
7	20, is renumbered 46.286 (1) (b) 2m. a.
8	SECTION 4. 46.286 (1) (b) 3. of the statutes, as affected by 2007 Wisconsin Act
9	20, is renumbered 46.286 (1) (b) 2m. b.
10	SECTION 5. $46.286(3)(a)$ 4m. of the statutes, as affected by 2007 Wisconsin Act
11	20, is amended to read:
12	46.286 (3) (a) 4m. The person is financially eligible under sub. (1) (b) $1m. 2m.$
13	a., and fulfills any applicable cost-sharing requirements.
14	SECTION 6. 49.45 (18) (am) of the statutes, as affected by 2007 Wisconsin Act
15	20, is renumbered 49.45 (18) (am) 1. and amended to read:
16	49.45 (18) (am) 1. No Except as provided in subd. 2., no person is liable under
17	this subsection for services provided through prepayment contracts. This paragraph
18	does not apply to a person who is eligible for the benefits under s. 49.46 (2) (a) and
19	(b) under s. 49.471.
20	SECTION 7. 49.45 (18) (am) 2. of the statutes is created to read:

*

49.45 (18) (am) 2. A person who is eligible for the benefits under s. 49.46 (2) (a)
and (b) under s. 49.471 is liable under this subsection for services provided through
a prepayment contract in the amounts and according to the procedures specified by
the department.

****NOTE: If the department determines the amounts and procedures, is it accurate to say that the person is liable *under this subsection*? Does *under this subsection* refer to cost sharing in general or to the specific amounts, etc., included in the subsection?

SECTION 8. 49.45 (18) (b) 2. of the statutes is amended to read:

49.45 (18) (b) 2. Any service provided to a person who is less than 18 years old. This subdivision does not apply if the person's family income exceeds 100 percent of the poverty line and he or she is eligible for the benefits under s. 49.46 (2) (a) and (b) under s. 49.471.

SECTION 9. 49.471 (2) of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (2) Waiver and state plan amendments. The department shall request a waiver from, and submit amendments to the state Medical Assistance plan to, the secretary of the federal department of health and human services to implement BadgerCare Plus. If the state plan amendments are approved and a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted and in effect, the department shall implement BadgerCare Plus beginning on January 1, 2008, the effective date of the state plan amendments, or the effective date of the waiver, whichever is latest. If the state plan amendments are approved but the terms of approval do not allow for federal funding of the cost of benefits for all or any part of one or more of the eligibility categories under sub. (4) (b), the department may at its discretion pay for the cost of benefits for all or any part of any group for which federal funding was denied exclusively with moneys from the

1	appropriation under s. 20.435 (4) (b). If the state plan amendments are not approved
2	or if a waiver that is substantially consistent with the provisions of this section,
3	excluding sub. (2m), is not granted, BadgerCare Plus may not be implemented. If
4	the state plan amendments are approved but approval is not continued or if a waiver
5	that is substantially consistent with the provisions of this section, excluding sub.
6	(2m), is granted but not continued in effect, BadgerCare Plus shall be discontinued.
7	SECTION 10. 49.471 (3) (a) 1. of the statutes, as created by 2007 Wisconsin Act
8	20, is amended to read:
9	49.471 (3) (a) 1. Notwithstanding ss. 49.46 (1), 49.465, 49.47 (4), and 49.665 (4),
.0	if the amendments to the state plan under sub. (2) are approved and a waiver under
11	sub. (2) that is substantially consistent with all of the provisions of this section,
.2	excluding sub. (2m), is granted and in effect, an individual described in sub. (4) (a)
.3	or (b) or (5) is not eligible under s. 49.46, 49.465, 49.47, or 49.665 for Medical
.4	Assistance or BadgerCare health program benefits. The eligibility of an individual
.5	described in sub. (4) (a) or (b) or (5) for Medical Assistance benefits shall be
.6	determined under this section.
.7	SECTION 11. 49.471 (3) (b) 1. (intro.) of the statutes, as created by 2007
.8	Wisconsin Act 20, is amended to read:
.9	49.471 (3) (b) 1. (intro.) If an individual over 18 years of age who is eligible for
20	and receiving Medical Assistance benefits under s. 49.46, 49.47, or 49.665 in the
21	month before BadgerCare Plus is implemented loses that eligibility solely due to the
22	implementation of BadgerCare Plus and, because of his or her income, is not eligible
23	for BadgerCare Plus, the individual shall continue receiving for 18 12 consecutive

months the medical assistance he or she was receiving before the implementation of

BadgerCare Plus if all of the following are satisfied:

	· /
1	SECTION 12. 49.471 (3) (b) 1. c. of the statutes, as created by 2007 Wisconsin
2	Act 20, is amended to read:
3	49.471 (3) (b) 1. c. The individual continues to meet meets all nonfinancial
4	eligibility requirements for the coverage that he or she had in the month before the
5	implementation of BadgerCare Plus under this section.
6	SECTION 13. 49.471 (3) (b) 2. of the statutes, as created by 2007 Wisconsin Act
7	20, is amended to read:
8	49.471 (3) (b) 2. Notwithstanding subd. 1., if at any time during an individual's
9	18-month 12-month eligibility extension under subd. 1. any criterion under subd.
10	1. a. to d. is not satisfied, the individual's eligibility for the extended coverage is
11	terminated and any time remaining in the eligibility period is lost.
12	SECTION 14. 49.471 (4) (a) 4. a. of the statutes, as created by 2007 Wisconsin
13	Act 20, is amended to read:
14	49.471 (4) (a) 4. a. The individual is a parent or caretaker relative of a child who
15	is living in the home with the parent or caretaker relative or who is temporarily
16	absent from the home for not more than 6 months or, if the child has been removed
17	from the home for more than 6 months, the parent or caretaker relative is working
18	toward unifying the family by complying with a permanency plan under s. $48.38 \underline{\text{or}}$
19	<u>938.38</u> .
20	Section 15. 49.471 (4) (a) 7. of the statutes is created to read:
21	49.471 (4) (a) 7. Individuals who qualify for a medical assistance eligibility
22	extension under s. 49.46 (1) (c), (cg), or (co) when their income increases above the
23	poverty line.
24	Section 16. 49.471 (4) (b) 4. a. of the statutes, as created by 2007 Wisconsin
25	Act 20, is amended to read:

1	49.471 (4) (b) 4. a. The individual is a parent or caretaker relative of a child who
2	is living in the home with the parent or caretaker relative or who is temporarily
3	absent from the home for not more than 6 months or, if the child has been removed
4	from the home for more than 6 months, the parent or caretaker relative is working
5	toward unifying the family by complying with a permanency plan under s. 48.38 or
6	<u>938.38</u> .
7	SECTION 17. 49.471 (5) (b) 1. of the statutes, as created by 2007 Wisconsin Act
8	20, is amended to read:
9	49.471 (5) (b) 1. Except as provided in sub. (6) (a) 1., a pregnant woman is
10	eligible for the benefits specified in par. (c) during the period beginning on the day
11	on which a qualified provider determines, on the basis of preliminary information,
12	that the woman's family income does not exceed 300 percent of the poverty line and
13	ending on the applicable day specified in subd. 3.
14	SECTION 18. 49.471 (5) (b) 2. of the statutes, as created by 2007 Wisconsin Act
15	20, is amended to read:
16	49.471 (5) (b) 2. Except as provided in sub. (6) (a) $\underline{2}$, a child who is not an unborn
17	child is eligible for the benefits described in s. $49.46(2)(a)$ and (b) during the period
18	beginning on the day on which a qualified entity determines, on the basis of
19	preliminary information, that the child's family income does not exceed 150 percent
20	of the poverty line and ending on the applicable day specified in subd. 3.
21	Section 19. 49.471 (5) (c) of the statutes, as created by 2007 Wisconsin Act 20,
22	is renumbered 49.471 (5) (c) 2. and amended to read:
23	49.471 (5) (c) 2. On behalf of a woman under par. (b) 1. whose family income

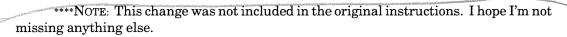
exceeds 200 percent of the poverty line, the department shall audit and pay allowable

1	charges to a provider certified under s. $49.45(2)(a)$ 11. only for ambulatory prenatal
2	care services under the benefits under sub. (11).
3	Section 20. 49.471 (5) (c) 1. of the statutes is created to read:
4	49.471 (5) (c) 1. On behalf of a woman under par. (b) 1. whose family income
5	does not exceed 200 percent of the poverty line, the department shall audit and pay
6	allowable charges to a provider certified under s. $49.45(2)(a)11$. only for ambulatory
7	prenatal care services under the benefits described in s. 49.46 (2) (a) and (b).
8	SECTION 21. 49.471 (6) (a) of the statutes, as created by 2007 Wisconsin Act 20,
9	is renumbered 49.471 (6) (a) 2. and amended to read:
10	49.471 (6) (a) 2. Any pregnant woman, including a pregnant woman under sub
11	(5) (b) 1., child who is not an unborn child, including a child under sub. (5) (b) 2.,
12	parent, or caretaker relative whose family income is less than 150 percent of the
13	poverty line is eligible for medical assistance under this section for any of the 3
14	months prior to the month of application if the individual met the eligibility criteria
15	under this section and had a family income of less than 150 percent of the poverty
16	line in that month.
17	SECTION 22. 49.471 (6) (a) 1. of the statutes is created to read:
18	49.471 (6) (a) 1. Any pregnant woman, including a pregnant woman under sub.
19	(5) (b) 1., is eligible for medical assistance under this section for any of the 3 months
20	prior to the month of application if she met the eligibility criteria under this section
21	in that month.
22	Section 23. $49.471(6)(e)$ of the statutes, as created by 2007 Wisconsin Act 20,
23	is repealed.
24	SECTION 24. 49.471 (7) (b) 1. of the statutes, as created by 2007 Wisconsin Act
25	20, is amended to read:

49.471 (7) (b) 1. A pregnant woman, or an unborn child, whose family income exceeds 300 percent of the poverty line may become eligible for coverage under this section if the difference between the pregnant woman's or unborn child's family income and the applicable income limit under sub. (4) (b) is obligated or expended for any member of the pregnant woman's or unborn child's family for medical care or any other type of remedial care recognized under state law or for personal health insurance premiums or for both. Eligibility obtained under this subdivision continues without regard to any change in family income for the balance of the pregnancy and, for a pregnant woman but not for an unborn child, to the last day of the month in which the 60th day after the last day of the woman's pregnancy falls. Eligibility obtained by a pregnant woman under this subdivision extends to all pregnant women in the pregnant woman's family.

SECTION 25. 49.471 (7) (b) 2. of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (7) (b) 2. A child who is not an unborn child and, whose family income exceeds 150 percent of the poverty line, and who is ineligible under this section solely because of sub. (8) (b) may obtain eligibility under this section if the difference between the child's family income and 150 percent of the poverty line is obligated or expended on behalf of the child or any member of the child's family for medical care or any other type of remedial care recognized under state law or for personal health insurance premiums or for both. Eligibility obtained under this subdivision during any 6-month period, as determined by the department, continues for the remainder of the 6-month period and extends to all children in the family.





1	SECTION 26. 49.471 (7) (b) 3. of the statutes, as created by 2007 Wisconsin Act
2	20, is amended to read:
3	49.471 (7) (b) 3. For a pregnant woman or an unborn child to obtain eligibility
4	under subd. 1., the amount that must be obligated or expended in any 6-month
5	period is equal to the sum of the differences in each of those 6 months between the
6	pregnant woman's or unborn child's monthly family income and the monthly family
7	income that is 300 percent of the poverty line. For a child to obtain eligibility under
8	subd. 2., the amount that must be obligated or expended in any 6-month period is
9	equal to the sum of the differences in each of those 6 months between the child's
10	monthly family income and the monthly family income that is 150 percent of the
11	poverty line.
12	SECTION 27. 49.471 (7) (c) 1. of the statutes, as created by 2007 Wisconsin Act
13	20, is amended to read:
14	49.471 (7) (c) 1. Deduct from family the individual's income, up to the amount
15	of the individual's income, any payments made by amount the individual is obligated
16	to pay for court-ordered child or family support or maintenance.
*	****Note: I wasn't quite sure about this change, since it seems that the end result would be the same regardless of whether the child support obligation is deducted from one individual's income or the family's income (since this affects the determination of an individual's family income). Is the important part the fact that the deduction may not exceed the income of the person who has the obligation?
17	SECTION 28. 49.471 (8) (d) 1. f. of the statutes is created to read:
18	49.471 (8) (d) 1. f. An individual described in sub. (4) (a) 7.
19	Section 29. 49.471 (8) (d) 2. c. of the statutes, as created by 2007 Wisconsin
20	Act 20, is amended to read:
21	49.471 (8) (d) 2. c. One or more members of the individual's family were eligible
22	for other health insurance coverage or Medical Assistance <u>under s. 49.46 or 49.47</u> at

20, is amended to read:

1	the time the employee failed to enroll in the health insurance coverage under par. $(\mbox{\bf b})$
2	1. and no member of the family was eligible for coverage under this section at that
3	time or, if one or more members of the individual's family were eligible for coverage
4	under this section at that time, family income did not exceed 150 percent of the
5	poverty line or the individual qualified for a medical assistance eligibility extension
6	as provided in sub. (4) (a) 7.
7	SECTION 30. 49.471 (10) (a) of the statutes, as created by 2007 Wisconsin Act
8	20, is amended to read:
9	49.471 (10) (a) Copayments. Except as provided in s. 49.45 (18) (am) <u>2. and (b)</u>
10	$\underline{2}$, all cost-sharing provisions under s. 49.45 (18) apply to a recipient with coverage
11	of the benefits described in s. 49.46 (2) (a) and (b) to the same extent as they apply
12	to a person eligible for medical assistance under s. 49.46, 49.468, or 49.47.
13	SECTION 31. $49.471 (10) (b) 4$. g. of the statutes is created to read:
14	49.471 (10) (b) 4. g. An individual described in sub. (4) (a) 7.
15	Section 32. 49.471 (10) (b) 5. of the statutes, as created by 2007 Wisconsin Act
16	20, is amended to read:
17	49.471 (10) (b) 5. If a recipient who is required to pay a premium under this
18	paragraph or under sub. (2m) or (4) (c) \underline{either} does not pay a premium when due \underline{or}
19	requests that his or her coverage under this section be terminated, the recipient's
20	coverage terminates and the recipient is not eligible for BadgerCare Plus for 6
21	consecutive calendar months following the date on which the recipient's coverage
22	terminated, except for any month during that 6-month period when the recipient's
23	family income does not exceed 150 percent of the poverty line.
24	SECTION 33. 49.471 (12) (b) of the statutes, as created by 2007 Wisconsin Act

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49.471 (12) (b) If the amendments to the state plan submitted under sub. (2) are approved and a waiver that is <u>substantially</u> consistent with all of the provisions of this section is granted and in effect, the department shall publish a notice in the Wisconsin Administrative Register that states the date on which BadgerCare Plus is implemented.

SECTION 34. Effective date.

(1) This act takes effect on the date stated in the Wisconsin Administrative Register by the department of health and family services under section 49.471 (12) (b) of the statutes, as affected by this act, as the implementation date for BadgerCare Plus.

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State of Misconsin 2007 - 2008 LEGISLATURE

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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19,3

AN ACT to repeal 49.471 (6) (e); to renumber 46.286 (1) (b) (intro.), 46.286 (1) (b) 1m. and 46.286 (1) (b) 3.; to renumber and amend 49.471 (5) (c) and 49.471 (6) (a); to amend 46.286 (3) (a) 4m., 49.471 (3) (b) 1. (intro.), 49.471 (3) (b) 1. c., 49.471 (3) (b) 2., 49.471 (4) (a) 4. a., 49.471 (4) (b) 4. a., 49.471 (5) (b) 1., 49.471 (5) (b) 2., 49.471 (7) (b) 1., 49.471 (7) (b) 3., 49.471 (7) (c) 1., 49.471 (8) (d) 2. c. and 49.471 (10) (b) 5.; and to create 46.286 (1) (b) 1c., 49.471 (4) (a) 7., 49.471 (5) (c) 1., 49.471 (6) (a) 1., 49.471 (8) (d) 1. f. and 49.471 (10) (b) 4. g. of the statutes; relating to: modifications to the BadgerCare Plus program (suggested as remedial legislation by the Department of Health and Family Services).

Analysis by the Legislative Reference Bureau

BadgerCare Plus (BC+) is a Medical Assistance (MA) program that was approved in the biennial budget act. BC+, which will be administered by the Department of Health and Family Services (DHFS), provides health care benefits under two different plans, depending on the basis for a recipient's eligibility, to recipients who satisfy financial and nonfinancial eligibility criteria. The first plan provides the same benefits that are provided under regular MA. Individuals eligible

Jup to amount of the person's income

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for BC+ benefits under that plan (regular MA plan) include: a pregnant woman whose family income does not exceed 200 percent of the poverty level (poverty); a child under one year of age whose mother, on the day on which the child was born, was eligible for and receiving benefits under MA or BC+ under the regular MA plan; any child whose family income does not exceed 200 percent of poverty; an individual whose family income does not exceed 200 percent of poverty and who is the parent or caretaker relative of a child who is, generally, living in the home of the parent or caretaker relative; certain migrant workers and their dependents; and an individual between 19 and 21 years of age who was in foster care on his or her 18th birthday.

The second plan, called the Benchmark Plan, provides specified benefits, including, but not limited to, coverage for prescription drugs; physicians' services; inpatient and outpatient hospital services; home health services; physical, occupational, and speech therapy; treatment for nervous and mental disorders and alcoholism and other drug abuse problems; durable medical equipment; and transportation to obtain emergency medical care. Individuals eligible for BC+ benefits under the Benchmark Plan include: La pregnant woman whose family income exceeds 200 percent, but does not exceed 300 percent, of poverty; a child under one year of age whose mother, on the day on which the child was born, was eligible for and receiving BC+ benefits under the Benchmark Plan; any child whose family income exceeds 200 percent, but does not exceed 300 percent, of poverty; and an individual whose family income exceeds 200 percent, but does not exceed 300 percent, of poverty and who is the parent or caretaker relative of a child who is, generally, living in the home of the parent or caretaker relative. In addition, any child whose family income exceeds 300 percent of poverty may purchase coverage under the Benchmark Plan at the full per member per month cost of the coverage.

This bill makes a number of changes to BC+, including the following:

1) Specifies that DHFS will provide prenatal care services under the regular MA plan for a pregnant woman with presumptive eligibility (has not applied for benefits but satisfies the eligibility criteria) whose income is not greater than 200 percent of the poverty level (poverty) and will provide prenatal care services under the Benchmark Plan for a pregnant woman with presumptive eligibility whose income is greater than 200 percent but not greater than 300 percent of poverty.

2) Specifies that any pregnant woman is eligible for benefits for any of the three months before applying for benefits if she met the eligibility criteria during that month. Under current law, only a pregnant woman whose income is less than 150 percent of poverty is eligible for benefits for any of the three months before she applied for benefits.

3) Specifies that only a pregnant woman with income greater than 300 percent of poverty may obtain eligibility for BC+ benefits if medical expenses reduce her income to the applicable limit for eligibility. Current law provides that any pregnant woman or unborn child may obtain eligibility if medical expenses reduce income.

4) Provides that for determining financial eligibility, a person's income will be reduced by the amount of a court-ordered obligation. Current law reduces income by the amount the person pays in child support.

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5) Provides that a person who loses eligiblity for six months for failure to pay a premium retains eligibility in any month during that six-month period when their family income is not more than 150 percent of poverty.

6) Extends eligibility for MA coverage for 12, rather than 18, months for a person over 18 years of age who was receiving MA when BC+ was implemented, who lost eligibility for MA solely because of the implementation of BC+, and who does not

meet the income eligibility criteria of BC+.

7) Clarifies that a parent or caretaker relative of a child may be eligible for BC+ if the child is absent from the home but the parent or caretaker relative is complying with a permancy plan prepared under the juvenile justice code provisions of the statutes, as well as under the children's code provisions of the statutes.

8) Provides that certain persons who are eligible for an extension of MA benefits when their household incomes increase above poverty are eligible for BC+ benefits under the regular MA plan, are not required to pay a premium for the extension of benefits, and do not lose eligibility due to having access to employer-sponsored health insurance.

For further information, see the NOTES provided by the Law Revision Committee of the Joint Legislative Council.

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:

Law Revision Committee Prefatory Note: This bill is a remedial legislation proposal, requested by the Department of Health and Family Services and introduced by the Law Revision Committee under s. 13.83 (1) (c) 4., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

SECTION 1. 46.286 (1) (b) (intro.) of the statutes, as affected by 2007 Wisconsin

Act 20, is renumbered 46.286 (1) (b) 2m. (intro.).

SECTION 2. 46.286 (1) (b) 1c. of the statutes is created to read:

46.286 (1) (b) 1c. In this paragraph, "medical assistance" does not include

coverage of the benefits under s. 49.471 (11).

SECTION 3. 46.286 (1) (b) 1m. of the statutes, as affected by 2007 Wisconsin Act

20, is renumbered 46.286 (1) (b) 2m. a.

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9) Clarifies that a child whose family income exceeds 150 percent of poverty and who may obtain eligibility if the difference between his or her family income and 150 percent of poverty is obligated or expended for medical care or health insurance premiums is one who is ineligible solely for reasons related to having certain types of access to certain types of health insurance coverage.

(v 10) Provides that, if approval of the state plan amendments do not allow for federal funding for benefits for any part or all of one or more of the eligibility groups, DHFS may in its discretion pay for benefits for any part of any group for which federal funding is denied with moneys from a specified general purpose revenue appropriation.

(END OF INSERT B)

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3510/1dn PJK:...:...

Date

This version takes out all embedded Notes and adds an analysis. Please feel free to make suggestions for changes to the analysis if you feel that the effect of any provision is misstated.



Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.wisconsin.gov

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3510/1dn PJK:bjk:pg

December 10, 2007

This version takes out all embedded Notes and adds an analysis. Please feel free to make suggestions for changes to the analysis if you feel that the effect of any provision is misstated.

Pamela J. Kahler Senior Legislative Attorney Phone: (608) 266–2682

E-mail: pam.kahler@legis.wisconsin.gov



State of Misconsin

RESEARCH APPENDIX -PLEASE DO NOT REMOVE FROM DRAFTING FILE

Date Transfer Requested: 02/13/2008 (Per: PJK)

Appendix A

 $\ref{eq:thm:condition}$ The 2007 drafting file for $LRB{-}3510/1$

has been copied/added to the drafting file for

2007 LRB-4076

Kahler, Pam

From: Sent:

Plona, Katie [PlonaKP@dhfs.state.wi.us] Friday, February 15, 2008 12:16 PM

To:

Kahler, Pam

Subject:

[Possible Spam] LRB 3510 * BadgerCare Plus statutory clean-up

Importance:

Low

Hi Pam,

Per our conversation, I am writing to request that LRB 3510 be jacketed for Sen. Erpenbach. Kelly Johnson in his office is working on this with us, should you need to contact her. Is it possible to send the jacket as well as an electronic version to Kelly or to the Sen. Erpenbach email?

Thanks again, Katie

Katie Plona Legislative Liaison Department of Health and Family Services (608) 266-3262 plonakp@dhfs.state.wi.us



State of Misconsin 2007 - 2008 LEGISLATURE

LRB-3510/1
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2007 BILL

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AN ACT to repeal 49.471 (6) (e); to renumber 46.286 (1) (b) (intro.), 46.286 (1) (b) 1m. and 46.286 (1) (b) 3.; to renumber and amend 49.45 (18) (am), 49.471 (5) (c) and 49.471 (6) (a); to amend 46.286 (3) (a) 4m., 49.45 (18) (b) 2., 49.471 (2), 49.471 (3) (a) 1., 49.471 (3) (b) 1. (intro.), 49.471 (3) (b) 1. c., 49.471 (3) (b) 2., 49.471 (4) (a) 4. a., 49.471 (4) (b) 4. a., 49.471 (5) (b) 1., 49.471 (5) (b) 2., 49.471 (7) (b) 1., 49.471 (7) (c) 1., 49.471 (8) (d) 2. c., 49.471 (10) (a), 49.471 (10) (b) 5. and 49.471 (12) (b); and to create 46.286 (1) (b) 1c., 49.45 (18) (am) 2., 49.471 (4) (a) 7., 49.471 (5) (c) 1., 49.471 (6) (a) 1., 49.471 (8) (d) 1. f. and 49.471 (10) (b) 4. g. of the statutes; relating to: changes to BadgerCare Plus.

Analysis by the Legislative Reference Bureau

BadgerCare Plus (BC+) is a Medical Assistance (MA) program that was approved in the biennial budget act. BC+, which will be administered by the Department of Health and Family Services (DHFS), provides health care benefits under two different plans, depending on the basis for a recipient's eligibility, to recipients who satisfy financial and nonfinancial eligibility criteria. The first plan

provides the same benefits that are provided under regular MA. Individuals eligible for BC+ benefits under that plan (regular MA plan) include: a pregnant woman whose family income does not exceed 200 percent of the poverty level (poverty); a child under one year of age whose mother, on the day on which the child was born, was eligible for and receiving benefits under MA or BC+ under the regular MA plan; any child whose family income does not exceed 200 percent of poverty; an individual whose family income does not exceed 200 percent of poverty and who is the parent or caretaker relative of a child who is, generally, living in the home of the parent or caretaker relative; certain migrant workers and their dependents; and an individual between and 21 years of age who was in foster care on his or her 18th birthday.

The second plan, called the Benchmark Plan, provides specified benefits, including, but not limited to, coverage for prescription drugs; physicians' services; inpatient and outpatient hospital services; home health services; physical, occupational, and speech therapy; treatment for nervous and mental disorders and alcoholism and other drug abuse problems; durable medical equipment; and transportation to obtain emergency medical care. Individuals eligible for BC+ benefits under the Benchmark Plan include: a pregnant woman whose family income exceeds 200 percent, but does not exceed 300 percent, of poverty; a child under one year of age whose mother, on the day on which the child was born, was eligible for and receiving BC+ benefits under the Benchmark Plan; any child whose family income exceeds 200 percent, but does not exceed 300 percent, of poverty; and an individual whose family income exceeds 200 percent, but does not exceed 300 percent, of poverty and who is the parent or caretaker relative of a child who is, generally, living in the home of the parent or caretaker relative. In addition, any child whose family income exceeds 300 percent of poverty may purchase coverage under the Benchmark Plan at the full per member per month cost of the coverage.

This bill makes a number of changes to BC+, including the following:

- 1) Specifies that DHFS will provide prenatal care services under the regular MA plan for a pregnant woman with presumptive eligibility (has not applied for benefits but satisfies the eligibility criteria) whose income is not greater than 200 percent of the poverty level (poverty) and will provide prenatal care services under the Benchmark Plan for a pregnant woman with presumptive eligibility whose income is greater than 200 percent but not greater than 300 percent of poverty.
- 2) Specifies that any pregnant woman is eligible for benefits for any of the three months before applying for benefits if she met the eligibility criteria during that month. Under current law, only a pregnant woman whose income is less than 150 percent of poverty is eligible for benefits for any of the three months before she applied for benefits.
- 3) Specifies that only a pregnant woman with income greater than 300 percent of poverty may obtain eligibility for BC+ benefits if medical expenses reduce her income to the applicable limit for eligibility. Current law provides that any pregnant woman or unborn child may obtain eligibility if medical expenses reduce income.
- 4) Provides that for determining financial eligibility, a person's income will be reduced by the amount of a court-ordered obligation, up to amount of the person's income. Current law reduces income by the amount the person pays in child support.

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- 5) Provides that a person who loses eligibility for six months for failure to pay a premium retains eligibility in any month during that six-month period when their family income is not more than 150 percent of poverty.
- 6) Extends eligibility for MA coverage for 12, rather than 18, months for a person over 18 years of age who was receiving MA when BC+ was implemented, who lost eligibility for MA solely because of the implementation of BC+, and who does not meet the income eligibility criteria of BC+.
- 7) Clarifies that a parent or caretaker relative of a child may be eligible for BC+ if the child is absent from the home but the parent or caretaker relative is complying with a permanency plan prepared under the juvenile justice code provisions of the statutes, as well as under the children's code provisions of the statutes.
- 8) Provides that certain persons who are eligible for an extension of MA benefits when their household incomes increase above poverty are eligible for BC+ benefits under the regular MA plan, are not required to pay a premium for the extension of benefits, and do not lose eligibility due to having access to employer-sponsored health insurance.
- 9) Clarifies that a child whose family income exceeds 150 percent of poverty and who may obtain eligibility if the difference between his or her family income and 150 percent of poverty is obligated or expended for medical care or health insurance premiums is one who is ineligible solely for reasons related to having certain types of access to certain types of health insurance coverage.
- 10) Provides that, if approval of the state plan amendments do not allow for federal funding for benefits for any part or all of one or more of the eligibility groups, DHFS may in its discretion pay for benefits for any part of any group for which federal funding is denied with moneys from a specified general purpose revenue appropriation.

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. 46.286 (1) (b) (intro.) of the statutes, as affected by 2007 Wisconsin
 Act 20, is renumbered 46.286 (1) (b) 2m. (intro.).
- 3 **Section 2.** 46.286 (1) (b) 1c. of the statutes is created to read:
- 4 46.286 (1) (b) 1c. In this paragraph, "medical assistance" does not include coverage of the benefits under s. 49.471 (11).
 - SECTION 3. 46.286 (1) (b) 1m. of the statutes, as affected by 2007 Wisconsin Act 20, is renumbered 46.286 (1) (b) 2m. a.

1	SECTION 4. 46.286 (1) (b) 3. of the statutes, as affected by 2007 Wisconsin Act
2	20, is renumbered 46.286 (1) (b) 2m. b.
3	SECTION 5. 46.286 (3) (a) 4m. of the statutes, as affected by 2007 Wisconsin Act
4	20, is amended to read:
5	46.286 (3) (a) 4m. The person is financially eligible under sub. (1) (b) $\frac{1}{1}$ 2m.
6	a., and fulfills any applicable cost-sharing requirements.
7	SECTION 6. 49.45 (18) (am) of the statutes, as affected by 2007 Wisconsin Act
8	20, is renumbered 49.45 (18) (am) 1. and amended to read:
9	49.45 (18) (am) 1. No Except as provided in subd. 2., no person is liable under
10	this subsection for services provided through prepayment contracts. This paragraph
11	does not apply to a person who is eligible for the benefits under s. 49.46 (2) (a) and
12	(b) under s. 49.471.
13	SECTION 7. 49.45 (18) (am) 2. of the statutes is created to read:
14	49.45 (18) (am) 2. A person who is eligible for the benefits under s. 49.46 (2) (a)
15	and (b) under s. 49.471 is liable under this subsection for services provided through
16	a prepayment contract in the amounts and according to the procedures specified by
17	the department. \checkmark
18	SECTION 8. 49.45 (18) (b) 2. of the statutes is amended to read:
19	49.45 (18) (b) 2. Any service provided to a person who is less than 18 years old.
20	This subdivision does not apply if the person's family income exceeds 100 percent of
21	the poverty line and he or she is eligible for the benefits under s. 49.46(2)(a) and (b)
22	under s. 49.471.
23	SECTION 9. 49.471 (2) of the statutes, as created by 2007 Wisconsin Act 20, is
24	amended to read:

49.471 (2) Waiver <u>AND STATE PLAN AMENDMENTS</u> . The department shall request
a waiver from, and submit amendments to the state Medical Assistance plan to, the
secretary of the federal department of health and human services to implement
BadgerCare Plus. If the state plan amendments are approved and a waiver that is
substantially consistent with the provisions of this section, excluding sub. (2m), is
granted and in effect, the department shall implement BadgerCare Plus beginning
on January 1, 2008, the effective date of the state plan amendments, or the effective
date of the waiver, whichever is latest. If the state plan amendments are approved
but the terms of approval do not allow for federal funding of the cost of benefits for
all or any part of one or more of the eligibility categories under sub. (4) (b), the
department may at its discretion pay for the cost of benefits for all or any part of any
group for which federal funding was denied exclusively with moneys from the
appropriation under s. 20.435 (4) (b). If the state plan amendments are not approved
or if a waiver that is substantially consistent with the provisions of this section,
excluding sub. (2m), is not granted, BadgerCare Plus may not be implemented. If
the state plan amendments are approved but approval is not continued or if a waiver
that is substantially consistent with the provisions of this section, excluding sub.
(2m), is granted but not continued in effect, BadgerCare Plus shall be discontinued.
SECTION 10. 49.471 (3) (a) 1. of the statutes, as created by 2007 Wisconsin Act
20, is amended to read:
49.471 (3) (a) 1. Notwithstanding ss. 49.46 (1), 49.465, 49.47 (4), and 49.665 (4),
if the amendments to the state plan under sub. (2) are approved and a waiver under
sub. (2) that is substantially consistent with all of the provisions of this section,
excluding sub. (2m), is granted and in effect, an individual described in sub. (4) (a)

or (b) or (5) is not eligible under s. 49.46, 49.465, 49.47, or 49.665 for Medical

Act 20, is amended to read:

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1	Assistance or BadgerCare health program benefits. The eligibility of an individual
2	described in sub. (4) (a) or (b) or (5) for Medical Assistance benefits shall be
3	determined under this section.
4	SECTION 11. 49.471 (3) (b) 1. (intro.) of the statutes, as created by 2007
5	Wisconsin Act 20, is amended to read:
6	49.471 (3) (b) 1. (intro.) If an individual over 18 years of age who is eligible for
7	and receiving Medical Assistance benefits under s. 49.46, 49.47, or 49.665 in the
8	month before BadgerCare Plus is implemented loses that eligibility solely due to the
9	implementation of BadgerCare Plus and, because of his or her income, is not eligible
10	for BadgerCare Plus, the individual shall continue receiving for $18 \ \underline{12}$ consecutive
11	months the medical assistance he or she was receiving before the implementation of
12	BadgerCare Plus if all of the following are satisfied:
13	SECTION 12. 49.471 (3) (b) 1. c. of the statutes, as created by 2007 Wisconsin
14	Act 20, is amended to read:
15	49.471 (3) (b) 1. c. The individual continues to meet meets all nonfinancial
16	eligibility requirements for the coverage that he or she had in the month before the
17	implementation of BadgerCare Plus <u>under this section</u> .
18	SECTION 13. 49.471 (3) (b) 2. of the statutes, as created by 2007 Wisconsin Act
19	20, is amended to read:
20	49.471 (3) (b) 2. Notwithstanding subd. 1., if at any time during an individual's
21	18-month 12-month eligibility extension under subd. 1. any criterion under subd.
22	1. a. to d. is not satisfied, the individual's eligibility for the extended coverage is
23	terminated and any time remaining in the eligibility period is lost.
24	SECTION 14. 49.471 (4) (a) 4. a. of the statutes, as created by 2007 Wisconsin

1	49.471 (4) (a) 4. a. The individual is a parent or caretaker relative of a child who
2	is living in the home with the parent or caretaker relative or who is temporarily
3	absent from the home for not more than 6 months or, if the child has been removed
4	from the home for more than 6 months, the parent or caretaker relative is working
5	toward unifying the family by complying with a permanency plan under s. 48.38 or
6	<u>938.38</u> .
7	SECTION 15. 49.471 (4) (a) 7. of the statutes is created to read:
8	49.471 (4) (a) 7. Individuals who qualify for a medical assistance eligibility
9	extension under s. 49.46 (1) (c), (cg), or (co) when their income increases above the
10	poverty line.
11	SECTION 16. 49.471 (4) (b) 4. a. of the statutes, as created by 2007 Wisconsin
12	Act 20, is amended to read:
13	49.471 (4) (b) 4. a. The individual is a parent or caretaker relative of a child who
14	is living in the home with the parent or caretaker relative or who is temporarily
15	absent from the home for not more than 6 months or, if the child has been removed
16	from the home for more than 6 months, the parent or caretaker relative is working
17	toward unifying the family by complying with a permanency plan under s. $48.38 \underline{\text{or}}$
18	<u>938.38</u> .
19	SECTION 17. 49.471 (5) (b) 1. of the statutes, as created by 2007 Wisconsin Act
20	20, is amended to read:
21	49.471 (5) (b) 1. Except as provided in sub. (6) (a) $\underline{1}$, a pregnant woman is
22	eligible for the benefits specified in par. (c) during the period beginning on the day
23	on which a qualified provider determines, on the basis of preliminary information
24	that the woman's family income does not exceed 300 percent of the poverty line and
25	ending on the applicable day specified in subd. 3.

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1	SECTION 18. 49.471 (5) (b) 2. of the statutes, as created by 2007 Wisconsin Act
2	20, is amended to read:
3	49.471 (5) (b) 2. Except as provided in sub. (6) (a) $\underline{2}$, a child who is not an unborn
4	child is eligible for the benefits described in s. $49.46(2)$ (a) and (b) during the period
5	beginning on the day on which a qualified entity determines, on the basis of
6	preliminary information, that the child's family income does not exceed 150 percent
7	of the poverty line and ending on the applicable day specified in subd. 3.
8	SECTION 19. 49.471 (5) (c) of the statutes, as created by 2007 Wisconsin Act 20
9	is renumbered 49.471 (5) (c) 2. and amended to read:
10	49.471 (5) (c) 2. On behalf of a woman under par. (b) 1. whose family income
11	exceeds 200 percent of the poverty line, the department shall audit and pay allowable
12	charges to a provider certified under s. $49.45(2)(a)11$. only for ambulatory prenata
13	care services under the benefits under sub. (11).
14	Section 20. 49.471 (5) (c) 1. of the statutes is created to read:
15	49.471 (5) (c) 1. On behalf of a woman under par. (b) 1. whose family income
16	does not exceed 200 percent of the poverty line, the department shall audit and pay
17	allowable charges to a provider certified under s. $49.45(2)(a)11.$ only for ambulatory
18	prenatal care services under the benefits described in s. 49.46 (2) (a) and (b).
19	SECTION 21. 49.471 (6) (a) of the statutes, as created by 2007 Wisconsin Act 20
20	is renumbered 49.471 (6) (a) 2. and amended to read:
21	49.471 (6) (a) 2. Any pregnant woman, including a pregnant woman under sub
22	(5) (b) 1., child who is not an unborn child, including a child under sub. (5) (b) 2.
23	parent, or caretaker relative whose family income is less than 150 percent of the
24	poverty line is eligible for medical assistance under this section for any of the

months prior to the month of application if the individual met the eligibility criteria

1	under this section and had a family income of less than 150 percent of the poverty
2	line in that month.
3	SECTION 22. 49.471 (6) (a) 1. of the statutes is created to read:
4	49.471 (6) (a) 1. Any pregnant woman, including a pregnant woman under sub.
5	(5) (b) 1., is eligible for medical assistance under this section for any of the 3 months
6	prior to the month of application if she met the eligibility criteria under this section
7	in that month.
8	Section 23. 49.471 (6) (e) of the statutes, as created by 2007 Wisconsin Act 20,
9	is repealed.
10	SECTION 24. 49.471 (7) (b) 1. of the statutes, as created by 2007 Wisconsin Act
11	20, is amended to read:
12	49.471 (7) (b) 1. A pregnant woman, or an unborn child, whose family income
13	exceeds 300 percent of the poverty line may become eligible for coverage under this
14	section if the difference between the pregnant woman's or unborn child's family
15	income and the applicable income limit under sub. (4) (b) is obligated or expended
16	for any member of the pregnant woman's or unborn child's family for medical care
17	or any other type of remedial care recognized under state law or for personal health
18	insurance premiums or for both. Eligibility obtained under this subdivision
19	continues without regard to any change in family income for the balance of the
20	pregnancy and, for a pregnant woman but not for an unborn child, to the last day of
21	the month in which the 60th day after the last day of the woman's pregnancy falls.
22	Eligibility obtained by a pregnant woman under this subdivision extends to all
23	pregnant women in the pregnant woman's family.
24	SECTION 25. 49.471 (7) (b) 2. of the statutes, as created by 2007 Wisconsin Act
25	20, is amended to read:

49.471 (7) (b) 2. A child who is not an unborn child and, whose family income exceeds 150 percent of the poverty line, and who is ineligible under this section solely because of sub. (8) (b) may obtain eligibility under this section if the difference between the child's family income and 150 percent of the poverty line is obligated or expended on behalf of the child or any member of the child's family for medical care or any other type of remedial care recognized under state law or for personal health insurance premiums or for both. Eligibility obtained under this subdivision during any 6-month period, as determined by the department, continues for the remainder of the 6-month period and extends to all children in the family.

SECTION 26. 49.471 (7) (b) 3. of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (7) (b) 3. For a pregnant woman or an unborn child to obtain eligibility under subd. 1., the amount that must be obligated or expended in any 6-month period is equal to the sum of the differences in each of those 6 months between the pregnant woman's or unborn child's monthly family income and the monthly family income that is 300 percent of the poverty line. For a child to obtain eligibility under subd. 2., the amount that must be obligated or expended in any 6-month period is equal to the sum of the differences in each of those 6 months between the child's monthly family income and the monthly family income that is 150 percent of the poverty line.

SECTION 27. 49.471 (7) (c) 1. of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (7) (c) 1. Deduct from family the individual's income, up to the amount of the individual's income, any payments made by amount the individual is obligated to pay for court-ordered child or family support or maintenance.

1	SECTION 28. 49.471 (8) (d) 1. f. of the statutes is created to read:
2	49.471 (8) (d) 1. f. An individual described in sub. (4) (a) 7.
3	SECTION 29. 49.471 (8) (d) 2. c. of the statutes, as created by 2007 Wisconsin
4	Act 20, is amended to read:
5	49.471 (8) (d) 2. c. One or more members of the individual's family were eligible
6	for other health insurance coverage or Medical Assistance <u>under s. 49.46 or 49.47</u> at
7	the time the employee failed to enroll in the health insurance coverage under par. (b)
8	1. and no member of the family was eligible for coverage under this section at that
9	time or, if one or more members of the individual's family were eligible for coverage
10	under this section at that time, family income did not exceed 150 percent of the
11	poverty line or the individual qualified for a medical assistance eligibility extension
12	as provided in sub. (4) (a) 7.
13	SECTION 30. 49.471 (10) (a) of the statutes, as created by 2007 Wisconsin Act
14	20, is amended to read:
15	49.471 (10) (a) Copayments. Except as provided in s. 49.45 (18) (am) 2. and (b)
16	$\underline{2}$., all cost-sharing provisions under s. 49.45 (18) apply to a recipient with coverage
17	of the benefits described in s. 49.46 (2) (a) and (b) to the same extent as they apply
18	to a person eligible for medical assistance under s. 49.46, 49.468, or 49.47.
19	SECTION 31. 49.471 (10) (b) 4. g. of the statutes is created to read:
20	49.471 (10) (b) 4. g. An individual described in sub. (4) (a) 7.
21	SECTION 32. $49.471(10)(b)$ 5. of the statutes, as created by 2007 Wisconsin Act
22	20, is amended to read:
23	49.471 (10) (b) 5. If a recipient who is required to pay a premium under this
24	paragraph or under sub. (2m) or (4) (c) either does not pay a premium when due or
25	requests that his or her coverage under this section be terminated, the recipient's

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coverage terminates and the recipient is not eligible for BadgerCare Plus for 6 consecutive calendar months following the date on which the recipient's coverage terminated, except for any month during that 6-month period when the recipient's family income does not exceed 150 percent of the poverty line.

SECTION 33. 49.471 (12) (b) of the statutes, as created by 2007 Wisconsin Act 20, is amended to read:

49.471 (12) (b) If the amendments to the state plan submitted under sub. (2) are approved and a waiver that is <u>substantially</u> consistent with all of the provisions of this section is granted and in effect, the department shall publish a notice in the Wisconsin Administrative Register that states the date on which BadgerCare Plus is implemented.

SECTION 34. Effective date.

(1) This act takes effect on the date stated in the Wisconsin Administrative Register by the department of health and family services under section 49.471 (12) (b) of the statutes, as affected by this act, as the implementation date for BadgerCare Plus.

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(END)