



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2009 Wisconsin Act 219**  
[2009 Senate Bill 484]

**BadgerCare Basic Plan**

2009 Wisconsin Act 219 authorizes the Department of Health Services (DHS) to establish and operate a health care benefit plan for individuals who are on the waiting list for the BadgerCare Plus Core Plan. The health care benefit plan, which is not Medical Assistance (MA) and which will be known as the BadgerCare Plus Basic Plan (Basic Plan), will provide primary and preventive care. The benefits may not exceed those provided under the Core Plan. The Basic Plan, including both benefits and administration, will be funded entirely from premiums set by DHS and paid by individuals with coverage under the Basic Plan. The DHS may set a deductible not to exceed \$7,500 per enrollment year that applies to inpatient and nonemergency outpatient hospital services. The DHS may also set other cost sharing requirements necessary to keep the plan actuarially sound. The DHS must disclose to an applicant the benefits provided, premiums, and other cost sharing requirements under the Basic Plan. The Act specifies that hospital assessments required to be paid under s. 49.45 (3) (e) 11., Stats., cannot be used to fund this plan.

The Act states that the DHS will pay a provider that provides services to individuals with coverage under the Basic Plan if the provider is certified by DHS to provide services under MA. For those services, DHS will pay a certified provider an amount that is not less than the amount that is payable for the service under MA. However, payments to federally qualified health centers, and hospital outlier payments, may be no higher than the amount that is payable under the MA program. A certified provider may not bill the individual who receives a covered service under this program for any additional amount, other than cost sharing established by DHS. Also, a certified provider may not charge a covered individual an amount that is higher than the amount that DHS would pay the provider for inpatient or nonemergency outpatient hospital services to which a program deductible applies.

The DHS is also required to:

- Verify monthly that an individual with coverage under the plan meets the eligibility criteria.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.state.wi.us/>.

- Coordinate benefits for an enrollee that may be available under other insurance or healthcare plans.
- Provide to an applicant information about the Health Insurance Risk Sharing Plan; notice of possible eligibility for coverage as a dependent under any parental health care plan, if the applicant is under age 27; and information about the applicant's right to purchase COBRA coverage or eligibility for any tax credits or premium subsidies.
- Report quarterly to the Joint Finance on Committee with information on plan solvency; a description of any changes to the plan premiums, benefits, costing-sharing, or provider payment rates; demographic information about applicants and enrollees; and a description of the process for verifying eligibility of applicants and enrollees and information about the number of applicants and enrollees found to be eligible and the number found to be ineligible.

The Act also requires the Legislative Audit Bureau (LAB) to perform a performance evaluation audit of the Basic Plan no later than one year after the effective date of the Act, and requires the LAB to submit copies of the audit report to the chief clerk of each house of the Legislature for distribution to the appropriate standing committees.

The Basic Plan terminates on January 1, 2014, and DHS must not pay any claim for services provided after December 31, 2013, to an individual with coverage under the plan.

***Effective date:*** May 14, 2010

***Prepared by:*** Laura Rose, Deputy Director

May 28, 2010

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