

State of Wisconsin

SENATE CHAIR
Alberta Darling

317 East, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-5830



ASSEMBLY CHAIR
John Nygren

308 East, State Capitol
P.O. Box 8593
Madison, WI 53708-8953
Phone: (608) 266-2343

Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: August 22, 2019

Re: 14-Day Passive Review Approval – DHS

Pursuant to s. 20.940, Stats., attached is a 14-day passive review request from the Department of Health Services, received on August 22, 2019.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Wednesday, September 11, 2019**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

AD:JN;jm



State of Wisconsin
Department of Health Services

Tony Evers, Governor
Andrea Palm, Secretary

August 22, 2019

AUG 22 2019
St. Finance

The Honorable Alberta Darling, Senate Co-Chair
Joint Committee on Finance
Room 317 East
State Capitol
P.O. Box 7882
Madison, WI 53707

The Honorable John Nygren, Assembly Co-Chair
Joint Committee on Finance
Room 309 East
State Capitol
P.O. Box 8953
Madison, WI 53708

Dear Senator Darling and Representative Nygren:

Per s. 20.940(3)(a)1., created by 2017 Act 370, I am requesting to extend the timeline for submitting a federal demonstration project request for the Medicaid Health Savings Account (MHSA) program by 90 days, to November 26, 2019.

On March 1, 2019, I submitted to the Committee an implementation plan for the program that indicated DHS planned to submit the demonstration project request to the Centers for Medicare and Medicaid Services (CMS) by May 30, 2019, as required by Act 370. On June 11, 2019, the Committee granted the Department's request to extend the deadline for submission to CMS to August 28, 2019. The extension enabled the Department time to discuss with CMS options for implementing the proposal.

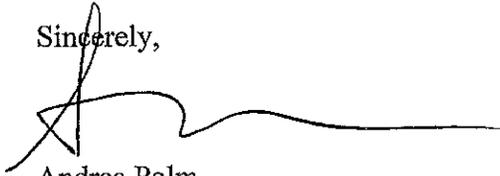
CMS has indicated to DHS that the agency is willing to work with Wisconsin to develop policy options for a MHSA model within the state's BadgerCare program. In recent months, DHS met internally and with other stakeholders to consider several questions, including the populations eligible for a MHSA, potential funding sources, and qualifying medical expenses. After evaluating various options, DHS is working to develop a MHSA program for BadgerCare childless adults with incomes between 50% and 100% of the federal poverty level through a public-private partnership, which would allow private sources to contribute to MHSAs. This model is consistent with current federal regulations for MHSAs that allow any person to make contributions on behalf of an eligible individual. MHSA enrollees would then be allowed to use this funding to pay for program premiums and copayments. DHS is also exploring allowable options for establishing conditions of participation in order to access MHSA funds.

Senator Alberta Darling
Representative John Nygren
August 22, 2019
Page 2

On August 16, 2019, the Department sent a letter to CMS seeking guidance on whether this approach would require a waiver, and if so, what type of waiver authority would be needed to operationalize the MHSA program. The Department asks that the Committee grant a 90-day extension to allow time to receive a response from CMS and design a proposal based on federal guidance.

Thank you for considering this request. Please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrea Palm', with a long horizontal flourish extending to the right.

Andrea Palm
Secretary-designee