

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 8953
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: May 1, 2019

Re: DHS Report to JFC

Attached is a report on the BadgerCare Reform Demonstration Project from the Department of Health Services, pursuant to s. 20.940(3)(c)2, Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

AD:JN:jm



State of Wisconsin
Department of Health Services

Tony Evers, Governor
Andrea Palm, Secretary

April 30, 2019

MAY 01 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)(c)2., created by 2017 Act 370, I am submitting an implementation progress report for the BadgerCare Reform Demonstration Project, which was approved by the federal Centers for Medicare and Medicaid Services on October 31, 2018.

The progress report is attached. Please contact me if you have any questions about this report.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrea Palm".

Andrea Palm
Secretary-designee

DHS Implementation Progress Report BadgerCare Reform 1115 Demonstration Project

Per s. 20.940(3)(c)2., this document provides a monthly report of the Wisconsin Department of Health Services' progress toward implementing the federally approved waiver for the BadgerCare Reform 1115 Demonstration Project.

Reporting Period: April 1, 2019 – April 30, 2019

1. Overview of the Demonstration Project

Under the BadgerCare Reform 1115 Demonstration Project, Wisconsin is eligible for federal Medicaid matching funds to provide health care coverage for childless adults between the ages of 19 and 64 years old who have income at or below 100 percent of the federal poverty level (FPL). Per the October 31, 2018 approved BadgerCare Reform 1115 Demonstration Project amendment, DHS is in the process of implementing the approved changes, including:

- Monthly premiums based on household income and healthy behaviors
- Emergency department copayments for non-emergency use of services
- Health risk assessment (HRA)
- Limiting benefit eligibility to 48 months for noncompliance with community engagement requirements
- Full coverage of residential substance use disorder (SUD) treatment

The Department submitted an implementation plan to the Joint Finance Committee on March 1, 2019.

2. Activity During the Current Reporting Period (April 1, 2019 – April 30, 2019)

During the month of April 2019, DHS held meetings to coordinate project planning and development, including:

- Project steering committee meetings.
- Project status meetings with Division of Medicaid Services (DMS) administrative team and the project manager.
- A project development meeting with DMS administrative team, program, and vendor staff to discuss implementation, project governance, and potential systems changes.
- Project workgroup meetings to discuss policy and business process development.
- Project coordination meetings to facilitate communication and policy and business process alignment across workgroups.
- The project management team met with Health Maintenance Organization (HMO) Contract Administrators to discuss a preliminary implementation plan for the health risk assessment and seek stakeholder feedback.

This month, DHS also engaged in waiver implementation discussions with the Centers for Medicare & Medicaid Services, through which:

- In consideration of the November 1, 2019 implementation date, CMS articulated updated timelines for deliverables and reporting required by the Section 1115 demonstration Special Terms and Conditions (STCs).
- CMS provided guidance clarifying the State Medicaid Director letter 18-002¹ policy directive, indicating that no federal funding is available to the State for any administrative costs associated with the employment and training supports the State is statutorily required to provide BadgerCare Plus members to assist them in meeting the community engagement requirements.

3. Updated Implementation Plan and Expected Timeline

In accordance with 2017 Wisconsin Act 370 (Act 370), DHS continues to work towards implementing the BadgerCare Reform 1115 Demonstration Project by November 1, 2019.

Per the intermediate implementation plan submitted on March 1, 2019, DHS continues to work towards completion of policy and business process development by June 1, 2019. The timeline for subsequent phases of the project will depend upon the decisions made and considerations identified during the initial phase. DHS will communicate updates in future monthly progress reports as timelines for subsequent phases are identified.

¹ <https://www.medicaid.gov/federal-policy-guidance/downloads/smd18002.pdf>