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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: May 31, 2019

Re: DHS Report to JFC

Attached is a implementation progress report for 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

May 31, 2019

MAY 31 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: May 1, 2019 – May 31, 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 (May 1, 2019 – May 31, 2019)

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

- Project steering committee meetings.
- Project status meetings with the Division of Medicaid Services (DMS) administrative team and the project manager.
- Project workgroup meetings to discuss policy and business process development.
- Project coordination meetings to facilitate communication and policy and business process alignment across workgroups.
- Tribal consultation meetings with: (1) DHS leadership and tribal leadership, and (2) DMS leadership and tribal health directors.
- Project planning meetings regarding the residential substance use disorder treatment component of the project, including:
 - Coordination meetings with DMS staff and the DHS Division of Care and Treatment Services, DHS Division of Quality Assurance, and DSPS Prescription Drug Monitoring Program team.

- Stakeholder meetings with the Economic Support Policy Advisory Committee and the Behavioral Health Policy Advisory Committee of the Wisconsin County Human Service Association (WCHSA) and two subcommittees of the State Council on Alcohol and Other Drug Abuse (SCAODA) to seek feedback on preliminary implementation plans.

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

- DHS shared an update on the development of deliverables required by the Section 1115 demonstration Special Terms and Conditions (STCs).
- CMS staff indicated they anticipate releasing additional templates and supporting documentation related to certain deliverables in late June, 2019.

3. Updated Implementation Plan and Expected Timeline

In accordance with 2017 Wisconsin 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. 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.