

STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Howard Marklein
Representative Mark Born

Date: December 29, 2023

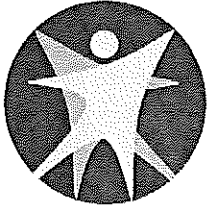
Re: DHS Report to JFC

Attached is a progress report on the status of negotiations toward approval of any waiver request submitted to the Centers for Medicare & Medicaid Services from the Department of Health Services, pursuant to s. 20.940(3)(b)(2).

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

HM:MB:jm



State of Wisconsin
Department of Health Services

Tony Evers, Governor
Kirsten L. Johnson, Secretary

December 29, 2023

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The Honorable Howard L. Marklein, Senate Co-Chair
Joint Committee on Finance
Room 316 East
State Capitol
P.O. Box 7882
Madison, WI 53707

The Honorable Mark Born, Assembly Co-Chair
Joint Committee on Finance
Room 308 East
State Capitol
P.O. Box 8952
Madison, WI 53708

Dear Senator Marklein and Representative Born:

Under s. 20.940(3)(b)(2), Wis. Stats., created by 2017 Act 370, the Department of Health Services (DHS) is required to submit to the Joint Committee on Finance a monthly implementation progress report on the status of negotiations toward approval of any waiver request submitted to the Centers for Medicare & Medicaid Services (CMS). This letter serves as the December 2023 progress report on the status of Medicaid waiver amendment initiatives pending with CMS.

CMS is currently reviewing one Medicaid waiver amendment, an 1115 demonstration waiver, and an 1115 demonstration waiver renewal.

On December 21, 2020, the Department submitted to CMS an amendment to the BadgerCare Reform 1115 Demonstration Project requesting to implement a Medicaid Health Savings Account Program for childless adults as required under s. 49.45(60), created by 2017 Act 271. The Department received the Committee's approval to submit this amendment on March 12, 2020. During the month of December 2023, the Department continued bi-weekly contacts with CMS regarding the status of the amendment approval process. CMS staff indicated they would be in communication with the Department as they analyze the application.

On June 3, 2022, DHS submitted an 1115 demonstration waiver to CMS to extend Medicaid coverage for pregnant women to 90 days postpartum. CMS posted Wisconsin's application on the federal Medicaid.gov website for a 30-day federal comment period, which was open through July 21, 2022. The Department continued bi-weekly contacts with CMS regarding the status of the request in December 2023.

On November 18, 2022, the Department submitted to CMS an application to renew the BadgerCare Reform 1115 Demonstration Project, which provides health coverage to non-pregnant adults aged 19-64 who do not have dependent children. The Department received the Committee's approval to submit the renewal application on November 7, 2022. On November 17, 2023, CMS notified DHS that it is extending the current demonstration project through December 2024 while it continues to review the state's application to renew the project. In addition, the CMS letter indicated that it was removing the state's authority during the one-year extension to impose monthly premiums, vary premium levels based on completion of a health risk assessment, and deny eligibility and prohibit re-enrollment for up to six months for failure to pay premiums for the population covered by the demonstration project. The Department has been barred from implementing the premium and health risk assessment provisions since the start of federal continuous coverage requirements in March 2020. During December 2023, the Department continued bi-weekly contacts with CMS regarding renewal of the project.

Please contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kirsten Johnson", with a long horizontal flourish extending to the right.

Kirsten L. Johnson
Secretary-designee