

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: May 31, 2024

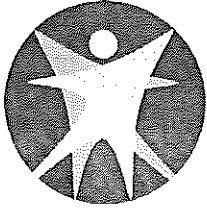
Re: DHS Report to JFC

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), 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

HM:MB:jm



State of Wisconsin
Department of Health Services
Tony Evers, Governor
Kirsten L. Johnson, Secretary

May 31, 2024

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St. Finance

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 May 2024 progress report on the status of Medicaid waiver amendment initiatives pending with CMS.

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

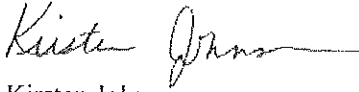
On December 21, 2020, the Department submitted to CMS an amendment to the BadgerCare Reform 1115 Demonstration Project requesting to implement a Medicaid Health Savings Account Program for childless adults as required under s. 49.45(60), created by 2017 Act 271. The Department received the Committee's approval to submit this amendment on March 12, 2020. During the month of May 2024, 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 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 May 2024, the Department continued bi-weekly contacts with CMS regarding renewal of the project.

Please contact me with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Kirsten Johnson". The signature is written in black ink and includes a long horizontal flourish at the end.

Kirsten Johnson
Secretary-designee