



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-3868/1
TJD:ah&kjf

2019 SENATE BILL 361

1 **AN ACT** *to repeal* 49.45 (2p) and 49.45 (23); *to amend* 20.435 (4) (jw), 49.45 (23b)
2 (title), 49.45 (23b) (b), 49.45 (23b) (c), 49.45 (23b) (e), 49.471 (4) (a) 4. b. and
3 49.686 (3) (d); and *to create* 49.471 (1) (cr), 49.471 (4) (a) 8. and 49.471 (4g) of
4 the statutes; **relating to:** eligibility expansion under the Medical Assistance
5 program.

Analysis by the Legislative Reference Bureau

This bill changes the family income eligibility level to up to 133 percent of the federal poverty line for parents and caretaker relatives under BadgerCare Plus and for childless adults currently covered under BadgerCare Plus Core and who are incorporated into BadgerCare Plus in this bill. BadgerCare Plus and BadgerCare Plus Core are programs under the state's Medical Assistance program, which provides health services to individuals who have limited financial resources. The federal Patient Protection and Affordable Care Act allows a state to receive an enhanced federal medical assistance percentage payment for providing benefits to certain individuals through a state's Medical Assistance program. The bill requires the Department of Health Services to comply with all federal requirements and to request any amendment to the state Medical Assistance plan, waiver of Medicaid law, or other federal approval necessary to qualify for the highest available enhanced federal medical assistance percentage for childless adults under the BadgerCare Plus program. DHS must ensure that any increased funding resulting from the bill is used to improve access to and affordability of health care and to support health care quality for Wisconsin residents.

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Under current law, certain parents and caretaker relatives with incomes of not more than 100 percent of the federal poverty line, before a 5 percent income disregard is applied, are eligible for BadgerCare Plus benefits. Under current law, childless adults who 1) are under age 65; 2) have family incomes that do not exceed 100 percent of the federal poverty line, before a 5 percent income disregard is applied; and 3) are not otherwise eligible for Medical Assistance, including BadgerCare Plus, are eligible for benefits under BadgerCare Plus Core. The bill eliminates the childless adults demonstration project known as BadgerCare Plus Core.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.435 (4) (jw) of the statutes is amended to read:

2 20.435 (4) (jw) *BadgerCare Plus and hospital assessment.* All moneys received
3 from payment of enrollment fees under the program under s. 49.45 (23), all moneys
4 transferred under s. 50.38 (9), all moneys transferred from the appropriation account
5 under par. (jz), and 10 percent of all moneys received from penalty assessments
6 under s. 49.471 (9) (c), ~~for administration of the program under s. 49.45 (23), to~~
7 provide a portion of the state share of administrative costs for the BadgerCare Plus
8 Medical Assistance program under s. 49.471, and for administration of the hospital
9 assessment under s. 50.38.

10 **SECTION 2.** 49.45 (2p) of the statutes is repealed.

11 **SECTION 3.** 49.45 (23) of the statutes is repealed.

12 **SECTION 4.** 49.45 (23b) (title) of the statutes is amended to read:

13 49.45 (23b) (title) CHILDLESS ADULTS DEMONSTRATION PROJECT REFORM WAIVER
14 IMPLEMENTATION REQUIRED.

15 **SECTION 5.** 49.45 (23b) (b) of the statutes is amended to read:

16 49.45 (23b) (b) Beginning as soon as practicable after October 31, 2018, and
17 ending no sooner than December 31, 2023, the department shall do all of the

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1 following with regard to the childless adults demonstration project under sub. ~~(23)~~
2 s. 49.471 (4) (a) 8.:

3 1. Require in each month persons, except exempt individuals, who are eligible
4 to receive Medical Assistance under sub. ~~(23)~~ s. 49.471 (4) (a) 8. and who are at least
5 19 years of age but have not attained the age of 50 to participate in, document, and
6 report 80 hours per calendar month of community engagement activities. The
7 department, after finding good cause, may grant a temporary exemption from the
8 requirement under this subdivision upon request of a Medical Assistance recipient.

9 2. Require persons with incomes of at least 50 percent of the poverty line to pay
10 premiums in accordance with par. (c) as a condition of eligibility for Medical
11 Assistance under sub. ~~(23)~~ s. 49.471 (4) (a) 8.

12 3. Require as a condition of eligibility for Medical Assistance under sub. ~~(23)~~
13 s. 49.471 (4) (a) 8. completion of a health risk assessment.

14 4. Charge recipients of Medical Assistance under sub. ~~(23)~~ s. 49.471 (4) (a) 8.
15 an \$8 copayment for nonemergency use of the emergency department in accordance
16 with 42 USC 1396o-1 (e) (1) and 42 CFR 447.54.

17 5. Disenroll from Medical Assistance under sub. ~~(23)~~ s. 49.471 (4) (a) 8. for 6
18 months any individual who does not pay a required premium under subd. 2. and any
19 individual who is required under subd. 1. to participate in a community engagement
20 activity but who does not participate for 48 aggregate months in the community
21 engagement activity.

22 **SECTION 6.** 49.45 (23b) (c) of the statutes is amended to read:

23 49.45 **(23b)** (c) 1. Persons who are eligible for the demonstration project under
24 sub. ~~(23)~~ s. 49.471 (4) (a) 8. and who have monthly household income that exceeds
25 50 percent of the poverty line shall pay a monthly premium amount of \$8 per

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1 household. A person who is eligible to receive an item or service furnished by an
2 Indian health care provider is exempt from the premium requirement under this
3 subdivision.

4 2. The department may disenroll under par. (b) 5. a person for nonpayment of
5 a required monthly premium only at annual eligibility redetermination after
6 providing notice and reasonable opportunity for the person to pay. If a person who
7 is disenrolled for nonpayment of premiums pays all owed premiums or becomes
8 exempt from payment of premiums, he or she may reenroll in Medical Assistance
9 under ~~sub. (23)~~ s. 49.471 (4) (a) 8.

10 3. The department shall reduce the amount of the required household premium
11 by up to half for a recipient of Medical Assistance under ~~sub. (23)~~ s. 49.471 (4) (a) 8.
12 who does not engage in certain behaviors that increase health risks or who attests
13 to actively managing certain unhealthy behaviors.

14 **SECTION 7.** 49.45 (23b) (e) of the statutes is amended to read:

15 49.45 **(23b)** (e) Before December 31, 2023, the ~~demonstration project~~
16 requirements under this subsection may not be withdrawn and the department may
17 not request from the federal government withdrawal, suspension, or termination of
18 the ~~demonstration project~~ requirements under this subsection unless legislation has
19 been enacted specifically allowing for the withdrawal, suspension, or termination.

20 **SECTION 8.** 49.471 (1) (cr) of the statutes is created to read:

21 49.471 **(1)** (cr) “Enhanced federal medical assistance percentage” means a
22 federal medical assistance percentage described under 42 USC 1396d (y) or (z).

23 **SECTION 9.** 49.471 (4) (a) 4. b. of the statutes is amended to read:

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1 49.471 (4) (a) 4. b. The individual's family income does not exceed ~~100~~ 133
2 percent of the poverty line ~~before application of the 5 percent income disregard under~~
3 ~~42 CFR 435.603 (d)~~.

4 **SECTION 10.** 49.471 (4) (a) 8. of the statutes is created to read:

5 49.471 (4) (a) 8. An individual who meets all of the following criteria:

6 a. The individual is an adult under the age of 65.

7 b. The adult has a family income that does not exceed 133 percent of the poverty
8 line, except as provided in sub. (4g).

9 c. The adult is not otherwise eligible for the Medical Assistance program under
10 this subchapter or the Medicare program under 42 USC 1395 et seq.

11 **SECTION 11.** 49.471 (4g) of the statutes is created to read:

12 49.471 (4g) **MEDICAID EXPANSION; FEDERAL MEDICAL ASSISTANCE PERCENTAGE.** For
13 services provided to individuals described under sub. (4) (a) 8., the department shall
14 comply with all federal requirements to qualify for the highest available enhanced
15 federal medical assistance percentage. The department shall submit any
16 amendment to the state medical assistance plan, request for a waiver of federal
17 Medicaid law, or other approval request required by the federal government to
18 provide services to the individuals described under sub. (4) (a) 8. and qualify for the
19 highest available enhanced federal medical assistance percentage. Sections 20.940
20 and 49.45 (2t) do not apply to a submission to the federal government under this
21 subsection.

22 **SECTION 12.** 49.686 (3) (d) of the statutes is amended to read:

23 49.686 (3) (d) Has applied for coverage under and has been denied eligibility
24 for medical assistance within 12 months prior to application for reimbursement
25 under sub. (2). This paragraph does not apply to an individual who is eligible for

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1 benefits under the ~~demonstration project for childless adults under s. 49.45 (23)~~
2 BadgerCare Plus under s. 49.471 (4) (a) 8. or to an individual who is eligible for
3 benefits under BadgerCare Plus under s. 49.471 (11).

4 **SECTION 9119. Nonstatutory provisions; Health Services.**

5 (1) CHILDLESS ADULTS DEMONSTRATION PROJECT. The department of health
6 services shall submit any necessary request to the federal department of health and
7 human services for a state plan amendment or waiver of federal Medicaid law or to
8 modify or withdraw from any waiver of federal Medicaid law relating to the childless
9 adults demonstration project under s. 49.45 (23), 2017 stats., to reflect the
10 incorporation of recipients of Medical Assistance under the demonstration project
11 into the BadgerCare Plus program under s. 49.471 and the termination of the
12 demonstration project. Sections 20.940 and 49.45 (2t) do not apply to a submission
13 to the federal government under this subsection.

14 (2) FUNDING FOR HEALTH CARE. The department of health services shall ensure
15 that any increased funding that results from this act is used to improve access to and
16 affordability of health care and to support health care quality for residents of this
17 state.

18 **SECTION 9219. Fiscal changes; Health Services.**

19 (1) MEDICAID EXPANSION. In the schedule under s. 20.005 (3) for the
20 appropriation to the department of health services under s. 20.435 (4) (b), the dollar
21 amount for fiscal year 2019-20 is decreased by \$159,473,300 to expand eligibility
22 under the Medical Assistance program under s. 49.471 (4) (a) 4. and 8. In the
23 schedule under s. 20.005 (3) for the appropriation to the department of health
24 services under s. 20.435 (4) (b), the dollar amount for fiscal year 2020-21 is decreased

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1 by \$165,011,600 to expand eligibility under the Medical Assistance program under
2 s. 49.471 (4) (a) 4. and 8.

3 **SECTION 9419. Effective dates; Health Services.** This act takes effect on the
4 30th day after the day of publication, except as follows:

5 (1) **ELIMINATION OF DEMONSTRATION PROJECT.** The treatment of ss. 20.435 (4) (jw)
6 and 49.45 (23) and (23b) (title), (b), (c), and (e) takes effect on January 1, 2020, or on
7 the first day of the 7th month beginning after publication, whichever is later.

8 (END)