

## **Wisconsin Department of Health Services Section 1115 BadgerCare Demonstration Waiver**

### **Overview**

The Department of Health Services (DHS) intends to submit an application to the Centers for Medicare and Medicaid Services (CMS) on or around November 15, 2022, requesting a five-year extension of the current Medicaid 1115 Research and Demonstration Waiver as approved and is not seeking any changes. The BadgerCare waiver primarily provides a robust benefit package, which includes most state plan benefits to nonpregnant, nondisabled, nonelderly childless adults with incomes of up to and including 100% of the federal poverty level (FPL).

In addition, the waiver allows Wisconsin to implement additional components that apply only to the nonmandatory childless adult (CLA) population, including:

- Implementing premiums on childless adults with incomes greater than 50% up to and including 100% of the FPL.
- Allowing termination and a period of ineligibility as a childless adult for up to six months for childless adults who do not pay the required premium, with on-ramps to reactivate coverage during the non-eligibility period.
- Allowing Wisconsin to vary premiums for childless adults based on the responses on a health risk assessment (HRA) and engagement in healthy behaviors or management of unhealthy behaviors.
- Charging childless adults an \$8 copayment for nonemergency use of the emergency department (ED), consistent with 42 CFR § 447.54(b).
- Requiring full completion of an HRA as a condition of eligibility, as a part of the application for childless adults, to identify healthy behaviors.

The waiver also includes a substance use disorder (SUD) program that expands the SUD benefits package to cover short-term residential services in facilities that qualify as institutions for mental diseases (IMDs) for all Medicaid enrollees.

DHS must obtain approval from CMS to extend the waiver beyond December 31, 2023.

### **Demonstration Populations**

- *Childless Adult and Transitional Medicaid Assistance Populations* - The BadgerCare waiver provides state plan benefits to childless adults who have family incomes up to 95% of the FPL (effectively 100% of the FPL considering a disregard of 5% of income) and to transitional medical assistance individuals, also known as members on extension, with incomes over 100% of the FPL.

— *Former Foster Care Youth from Another State Population* - Former foster care youth are defined as individuals under age 26 who were in foster care in another state or tribe of such other state when they turned 18 (or such higher age as the state has elected for termination of federal foster care assistance under title IV-E of the Social Security Act, were enrolled in Medicaid at that time or at some point while in such foster care, and are now applying for Medicaid in Wisconsin.

— *Residential Substance Use Disorder (RSUD) Program* - The demonstration permits the state to offer all Medicaid beneficiaries ages 21 through 64 access to additional SUD treatment services provided to individuals with SUD who are short-term residents in residential treatment facilities that meet the definition of an Institution for Mental Diseases (IMD).

### **Eligibility, Enrollment, and Cost-Sharing**

— *Monthly Premiums* - The demonstration permits the state to charge monthly premiums of \$8 per household on childless adults with incomes greater than 50% up to and including 100% of the FPL as a condition of eligibility. This allows for termination of enrollment and a period of non-eligibility as a childless adult for up to six months for childless adults who do not pay the required premium, with on-ramps to reactivate coverage during the non-eligibility period.

— *Health Risk Assessment* - The demonstration permits the state to require the completion of an HRA as a condition of eligibility, as a part of the application for childless adults, to identify healthy behaviors. Failure to answer the substance abuse question on the HRA will result in denial of coverage. The state may vary premiums for childless adults based on their responses on the HRA and engaging in healthy behaviors or managing unhealthy behaviors. The household premium is reduced from \$8 per month to \$4 per month if a member does not endorse engaging in certain health-risk behaviors or reports actively managing certain unhealthy behaviors.

— *Copayment for Non-Emergent Use of the Emergency Department* - The demonstration permits the state to charge childless adults an \$8 copayment for nonemergency use of the emergency department (ED), consistent with 42 CFR § 447.54(b).

### **Public Comment**

Providing information and obtaining input on changes from the public is of high importance for the state as we prepare to submit the request. By law, you have the opportunity to review the official waiver application and to provide comments for at least 30 days, starting September 12, 2022, and ending October 14, 2022. You may also provide comments through written or verbal statements during public hearings (see below). Public comments will be included in the waiver

request submitted to CMS on or around November 15, 2022, and will be available on DHS's website at the address listed below.

## **Public Hearings**

Due to the public health concerns related to the COVID-19 pandemic, the state will not be conducting in-person meetings as part of the public notice process for this waiver application. CMS has the discretion to exempt the state from completing any aspect of the public notice process. Exemption reasons include demonstration by the state to CMS of the existence of unforeseen circumstances, such as the COVID-19 public health emergency, that directly threaten human lives and warrant an exception to the normal public notice process. Accordingly, the state will hold two webinars instead of in-person hearings.

— **September 21, 2022**, 10:00 a.m. – 12:00 p.m.

— Join online:

<https://dhs.wi.zoomgov.com/j/1604236001>

— Join by phone:

— 669-254-5252

— 646-828-7666

— 669-216-1590

— 551-285-1373

— Webinar ID: 160 423 6601

— **September 28, 2022**, 2:00 p.m. – 4:00 p.m.

— Join online:

<https://dhs.wi.zoomgov.com/j/1602656786>

— Join by phone:

— 669-254-5252

— 646-828-7666

— 669-216-1590

— 551-285-1373

— Webinar ID: 160 265 6786

## **Copies of Waiver Documents**

Copies of waiver documents, including the full public notice (to be posted on September 12, 2022), and the final waiver application, once complete, may be obtained from DHS at no charge by downloading the documents at [dhs.wi.gov/medicaid/waiver-badgercare1115.htm](https://dhs.wi.gov/medicaid/waiver-badgercare1115.htm) or by contacting Bailey Dvorak at:

Mail: Bailey Dvorak  
Division of Medicaid Services  
P.O. Box 309  
Madison, WI 53707-0309

Phone: 608-267-5210  
Fax: 608-266-3205, Attn: Bailey Dvorak  
Email: [bailey.dvorak@dhs.wisconsin.gov](mailto:bailey.dvorak@dhs.wisconsin.gov)

### **Written Comments**

Written comments on the proposed changes are welcome and will be accepted from September 12, 2022, through October 14, 2022. Written comments may be sent to:

Mail: Department of Health Services  
Division of Medicaid Services  
Attn: BadgerCare 1115 Waiver Extension  
P.O. Box 309  
Madison, WI 53707-0309

Fax: 608-266-1096  
Email: [DHSDMSbadgercare1115@dhs.wisconsin.gov](mailto:DHSDMSbadgercare1115@dhs.wisconsin.gov)