



State of Wisconsin
2021 - 2022 LEGISLATURE

LRBs0063/1
MPG/EVM/TJD:amn

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 241**

April 13, 2021 - Offered by Representatives ANDERSON, BALDEH, BILLINGS, BOWEN, BROSTOFF, CABRERA, CONLEY, CONSIDINE, DOYLE, DRAKE, EMERSON, GOYKE, HAYWOOD, HEBL, HESSELBEIN, HINTZ, HONG, MCGUIRE, B. MEYERS, MILROY, MOORE OMOKUNDE, L. MYERS, NEUBAUER, OHNSTAD, ORTIZ-VELEZ, POPE, RIEMER, S. RODRIGUEZ, SHANKLAND, SHELTON, SINICKI, SNODGRASS, SPREITZER, STUBBS, SUBECK, VINING and VRUWINK.

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:** retiring public debt and transportation revenue
5 bonds, eligibility expansion under the Medical Assistance program, and
6 making an appropriation.

Analysis by the Legislative Reference Bureau

RETIRING PUBLIC DEBT AND TRANSPORTATION REVENUE BONDS

This bill appropriates in the 2021-22 fiscal year \$500,000,000 in general purpose revenue to retire public debt and \$500,000,000 in general purpose revenue to retire transportation revenue obligations.

ELIGIBILITY EXPANSION UNDER THE MEDICAL ASSISTANCE PROGRAM

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. 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. 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.

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 the 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, as a separate program.

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:

1 49.45 **(23b)** (title) CHILDLESS ADULTS ~~DEMONSTRATION PROJECT~~ REFORM WAIVER
2 IMPLEMENTATION REQUIRED.

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

4 49.45 **(23b)** (b) Beginning as soon as practicable after October 31, 2018, and
5 ending no sooner than December 31, 2023, the department shall do all of the
6 following with regard to the childless adults demonstration project under sub. ~~(23)~~
7 s. 49.471 (4) (a) 8.:

8 1. Require in each month persons, except exempt individuals, who are eligible
9 to receive Medical Assistance under sub. ~~(23)~~ s. 49.471 (4) (a) 8. and who are at least
10 19 years of age but have not attained the age of 50 to participate in, document, and
11 report 80 hours per calendar month of community engagement activities. The
12 department, after finding good cause, may grant a temporary exemption from the
13 requirement under this subdivision upon request of a Medical Assistance recipient.

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

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

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

22 5. Disenroll from Medical Assistance under sub. ~~(23)~~ s. 49.471 (4) (a) 8. for 6
23 months any individual who does not pay a required premium under subd. 2. and any
24 individual who is required under subd. 1. to participate in a community engagement

1 activity but who does not participate for 48 aggregate months in the community
2 engagement activity.

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

4 49.45 **(23b)** (c) 1. Persons who are eligible for the demonstration project under
5 ~~sub. (23) s. 49.471 (4) (a) 8.~~ and who have monthly household income that exceeds
6 50 percent of the poverty line shall pay a monthly premium amount of \$8 per
7 household. A person who is eligible to receive an item or service furnished by an
8 Indian health care provider is exempt from the premium requirement under this
9 subdivision.

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

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

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

21 49.45 **(23b)** (e) Before December 31, 2023, the demonstration project
22 requirements under this subsection may not be withdrawn and the department may
23 not request from the federal government withdrawal, suspension, or termination of
24 the demonstration project requirements under this subsection unless legislation has
25 been enacted specifically allowing for the withdrawal, suspension, or termination.

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

2 49.471 (1) (cr) “Enhanced federal medical assistance percentage” means a
3 federal medical assistance percentage described under 42 USC 1396d (y) or (z).

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

5 49.471 (4) (a) 4. b. The individual’s family income does not exceed ~~100~~ 133
6 percent of the poverty line ~~before application of the 5 percent income disregard under~~
7 ~~42 CFR 435.603 (d).~~

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

9 49.471 (4) (a) 8. An individual who meets all of the following criteria:

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

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

13 c. The individual is not otherwise eligible for the Medical Assistance program
14 under this subchapter or the Medicare program under 42 USC 1395 et seq.

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

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

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

2 49.686 **(3)** (d) Has applied for coverage under and has been denied eligibility
3 for medical assistance within 12 months prior to application for reimbursement
4 under sub. (2). This paragraph does not apply to an individual ~~who is eligible for~~
5 ~~benefits under the demonstration project for childless adults under s. 49.45 (23) or~~
6 ~~to an individual~~ who is eligible for benefits under BadgerCare Plus under s. 49.471
7 (4) (a) 8. or (11).

8 **SECTION 9101. Nonstatutory provisions; Administration.**

9 (1) RETIRING PUBLIC DEBT. From the appropriation under s. 20.505 (1) (a), the
10 department of administration shall expend \$500,000,000 for the payment, in the
11 2021-22 fiscal year, of principal and interest costs on outstanding public debt, as
12 defined in s. 18.01 (4).

13 (2) RETIRING TRANSPORTATION REVENUE OBLIGATIONS. From the appropriation
14 under s. 20.505 (1) (a), the department of administration shall expend \$500,000,000,
15 in the 2021-22 fiscal year, for the purpose of retiring revenue obligations issued
16 under s. 84.59.

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

18 (1) CHILDLESS ADULTS DEMONSTRATION PROJECT. The department of health
19 services shall submit any necessary request to the federal department of health and
20 human services for a state plan amendment or waiver of federal Medicaid law or to
21 modify or withdraw from any waiver of federal Medicaid law relating to the childless
22 adults demonstration project under s. 49.45 (23), 2019 stats., to reflect the
23 incorporation of recipients of Medical Assistance under the demonstration project
24 into the BadgerCare Plus program under s. 49.471 and the termination of the

1 demonstration project. Sections 20.940 and 49.45 (2t) do not apply to a submission
2 to the federal government under this subsection.

3 **SECTION 9201. Fiscal changes; Administration.**

4 (1) RETIRING PUBLIC DEBT AND TRANSPORTATION REVENUE OBLIGATIONS. In the
5 schedule under s. 20.005 (3) for the appropriation to the department of
6 administration under s. 20.505 (1) (a), the dollar amount for fiscal year 2021-22 is
7 increased by \$1,000,000,000 to retire public debt under SECTION 9101 (1) and (2) of
8 this act.

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

10 (1) MEDICAID EXPANSION. In the schedule under s. 20.005 (3) for the
11 appropriation to the department of health services under s. 20.435 (4) (b), the dollar
12 amount for fiscal year 2021-22 is decreased by \$849,788,000 as a result of expanding
13 eligibility for the Medical Assistance program. In the schedule under s. 20.005 (3)
14 for the appropriation to the department of health services under s. 20.435 (4) (b), the
15 dollar amount for fiscal year 2022-23 is decreased by \$841,925,400 as a result of
16 expanding eligibility for the Medical Assistance program.

17 **SECTION 9419. Effective dates; Health Services.** This act takes effect on the
18 day after publication, except as follows:

19 (1) MEDICAID EXPANSION. The treatment of ss. 20.435 (4) (jw), 49.45 (2p), (23),
20 and (23b) (title), (b), (c), and (e), 49.471 (1) (cr), (4) (a) 4. b. and 8., and (4g), and 49.686
21 (3) (d) and SECTIONS 9119 (1) and 9219 (1) of this act take effect on July 1, 2021.

22 (END)