

State of Misconsin 2019 - 2020 LEGISLATURE

LRB-3868/1 TJD:ahe&kjf

2019 SENATE BILL 361

August 22, 2019 - Introduced by Senators Erpenbach, Carpenter, Miller, Hansen, Ringhand, Wirch, L. Taylor, Risser, Schachtner, Shilling, Smith, Bewley and Larson, cosponsored by Representatives Riemer, Kolste, Vining, Billings, Goyke, Hebl, Zamarripa, Pope, Stubbs, Gruszynski, Bowen, Doyle, Brostoff, Anderson, Hesselbein, Ohnstad, B. Meyers, Neubauer, Spreitzer, Milroy, Emerson, Sargent, Shankland, Stuck, Hintz, C. Taylor, Sinicki, Subeck, McGuire, Vruwink, Fields, Crowley, Considine, Haywood, Cabrera and L. Myers. Referred to Committee on Public Benefits, Licensing and State-Federal Relations.

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

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

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

Section 2. 49.45 (2p) of the statutes is repealed.

Section 3. 49.45 (23) of the statutes is repealed.

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

49.45 (23b) (title) Childless adults demonstration project reform waiver implementation required.

Section 5. 49.45 (23b) (b) of the statutes is amended to read:

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

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

- 1. Require in each month persons, except exempt individuals, who are eligible to receive Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. and who are at least 19 years of age but have not attained the age of 50 to participate in, document, and report 80 hours per calendar month of community engagement activities. The department, after finding good cause, may grant a temporary exemption from the requirement under this subdivision upon request of a Medical Assistance recipient.
- 2. Require persons with incomes of at least 50 percent of the poverty line to pay premiums in accordance with par. (c) as a condition of eligibility for Medical Assistance under sub. (23) s. 49.471 (4) (a) 8.
- 3. Require as a condition of eligibility for Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. completion of a health risk assessment.
- 4. Charge recipients of Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. an \$8 copayment for nonemergency use of the emergency department in accordance with 42 USC 13960-1 (e) (1) and 42 CFR 447.54.
- 5. Disenroll from Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. for 6 months any individual who does not pay a required premium under subd. 2. and any individual who is required under subd. 1. to participate in a community engagement activity but who does not participate for 48 aggregate months in the community engagement activity.
 - **SECTION 6.** 49.45 (23b) (c) of the statutes is amended to read:
- 49.45 (23b) (c) 1. Persons who are eligible for the demonstration project under sub. (23) s. 49.471 (4) (a) 8. and who have monthly household income that exceeds 50 percent of the poverty line shall pay a monthly premium amount of \$8 per

- household. A person who is eligible to receive an item or service furnished by an Indian health care provider is exempt from the premium requirement under this subdivision.
- 2. The department may disenroll under par. (b) 5. a person for nonpayment of a required monthly premium only at annual eligibility redetermination after providing notice and reasonable opportunity for the person to pay. If a person who is disenrolled for nonpayment of premiums pays all owed premiums or becomes exempt from payment of premiums, he or she may reenroll in Medical Assistance under sub. (23) s. 49.471 (4) (a) 8.
- 3. The department shall reduce the amount of the required household premium by up to half for a recipient of Medical Assistance under sub. (23) s. 49.471 (4) (a) 8. who does not engage in certain behaviors that increase health risks or who attests to actively managing certain unhealthy behaviors.
 - **SECTION 7.** 49.45 (23b) (e) of the statutes is amended to read:
- 49.45 **(23b)** (e) Before December 31, 2023, the demonstration project requirements under this subsection may not be withdrawn and the department may not request from the federal government withdrawal, suspension, or termination of the demonstration project requirements under this subsection unless legislation has been enacted specifically allowing for the withdrawal, suspension, or termination.
 - **SECTION 8.** 49.471 (1) (cr) of the statutes is created to read:
- 49.471 (1) (cr) "Enhanced federal medical assistance percentage" means a federal medical assistance percentage described under 42 USC 1396d (y) or (z).
- **Section 9.** 49.471 (4) (a) 4. b. of the statutes is amended to read:

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49.471 (4) (a) 4. b. The individual's family income does not exceed $100 \ \underline{13}$
percent of the poverty line before application of the 5 percent income disregard under
42 CFR 435.603 (d).

- **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:
 - a. The individual is an adult under the age of 65.
- b. The adult has a family income that does not exceed 133 percent of the poverty line, except as provided in sub. (4g).
 - c. The adult is not otherwise eligible for the Medical Assistance program under this subchapter or the Medicare program under 42 USC 1395 et seq.
 - **SECTION 11.** 49.471 (4g) of the statutes is created to read:
 - 49.471 (4g) Medicaid expansion; federal medical assistance percentage. For services provided to individuals described under sub. (4) (a) 8., the department shall comply with all federal requirements to qualify for the highest available enhanced federal medical assistance percentage. The department shall submit any amendment to the state medical assistance plan, request for a waiver of federal Medicaid law, or other approval request required by the federal government to provide services to the individuals described under sub. (4) (a) 8. and qualify for the highest available enhanced federal medical assistance percentage. Sections 20.940 and 49.45 (2t) do not apply to a submission to the federal government under this subsection.
 - **SECTION 12.** 49.686 (3) (d) of the statutes is amended to read:
 - 49.686 (3) (d) Has applied for coverage under and has been denied eligibility for medical assistance within 12 months prior to application for reimbursement under sub. (2). This paragraph does not apply to an individual who is eligible for

- benefits under the demonstration project for childless adults under s. 49.45 (23)

 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).

Section 9119. Nonstatutory provisions; Health Services.

- (1) Childless adults demonstration project. The department of health services shall submit any necessary request to the federal department of health and human services for a state plan amendment or waiver of federal Medicaid law or to modify or withdraw from any waiver of federal Medicaid law relating to the childless adults demonstration project under s. 49.45 (23), 2017 stats., to reflect the incorporation of recipients of Medical Assistance under the demonstration project into the BadgerCare Plus program under s. 49.471 and the termination of the demonstration project. Sections 20.940 and 49.45 (2t) do not apply to a submission to the federal government under this subsection.
- (2) Funding for health care. The department of health services shall ensure that any increased funding that results from this act is used to improve access to and affordability of health care and to support health care quality for residents of this state.

SECTION 9219. Fiscal changes; Health Services.

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

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SECTION 9219

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.

(END)