

Wisconsin BadgerCare Reform 1115 Waiver Demonstration  
Section 1115 Quarterly Report

**Section 1115 Quarterly Report Summary**

Demonstration Year:

6 (1/1/2019 – 12/31/2019)

Federal Fiscal Quarter:

4 (10/1/2019 – 12/31/2019)

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## Introduction

The Wisconsin BadgerCare Reform demonstration provides state plan benefits to childless adults who have family incomes up to 95 percent of the Federal Poverty Level (FPL) (effectively 100 percent of the FPL considering a disregard of 5 percent of income), and permits the state to charge premiums to adults who are only eligible for Medicaid through the Transitional Medical Assistance eligibility group (hereinafter referred to as “TMA Adults”) with incomes above 133 percent of the FPL starting from the first day of enrollment and to TMA Adults from 100-133 percent of the FPL after the first 6 calendar months of TMA coverage.

The demonstration will allow the state to provide health care coverage for the childless adult population at or below an effective income of 100 percent of the FPL with a focus on improving health outcomes, reducing unnecessary services, and improving the cost-effectiveness of Medicaid services. Additionally, the demonstration will enable the state to test the impact of providing TMA to individuals who are paying a premium that aligns with the insurance affordability program in the Marketplace based upon their household income when compared to the FPL.

The state’s goals for the program are to demonstrate whether the program will:

- Ensure every Wisconsin resident has access to affordable health insurance and reduce the state’s uninsured rate.
- Provide a standard set of comprehensive benefits for low income individuals that will lead to improved healthcare outcomes.
- Create a program that is sustainable so Wisconsin’s healthcare safety net is available to those who need it most.

The DHS has contracted, through an interagency agreement, with the UW Population Health Institute (including the Scope of Work, Workplan, and Budget) for conducting the BadgerCare Reform Demonstration Evaluation. The DHS and UW began work starting on September 1, 2015. A copy of the demonstration evaluation scope of work and workplan are included as Attachment E.

## Enrollment and Benefits Information

Childless Adults (Population Group 2) - In the fourth quarter of demonstration year 6 the number of unique program participants increased slightly. From the prior quarter the total number of unique program participants increased from 168,205 to 170,914. Total monthly enrollment increased from the prior quarter with 153,485 childless adults in October 2019 and 153,642 childless adults in December 2019.

Transitional Medical Assistance (TMA) Adults (Population Group 1) - In the fourth quarter of demonstration year 6 the number of unique program participants increased. From the prior quarter the total number of unique program participants increased from 37,385 to 40,780. Total monthly

enrollment increased from the prior quarter with 31,565 TMA adults in October 2019 and 32,687 in December 2019.

Per the terms of the demonstration waiver amendment that was approved by CMS on October 31, 2018, after December 31, 2018, the state no longer has the authority to charge premiums to the TMA Adult population through the demonstration. As expected, no TMA adults were dis-enrolled for failure to pay premiums in the last quarter.

The DHS has not identified any issues related to access to care or delivery of benefits given the current enrollment trends and will continue to monitor.

<b>Enrollment Counts for Quarter and Year to Date</b>				
Demonstration Populations	Total Number of Demonstration Participants Quarter Ending – 12/31/2019*	Current Enrollees (year to date)**	Disenrolled in Current Quarter	TMA Adults Disenrolled Due to Non-Payment of Premiums (current quarter)***
BC Reform Adults	170,914	227,802	18,920	
Transitional Medical Assistance (TMA) Adults	40,780	65,232	4,949	0
*Reflects total unduplicated count of members enrolled during the demonstration quarter				
** Reflects total unduplicated count of members enrolled during the demonstration year.				
***Disenrollment does not reflect those who maintained eligibility after the closure month for any benefit plan				
<b>Member Month Reporting</b>				
Eligibility Group	Month 1 (October 2019)	Month 2 (November 2019)	Month 3 (December 2019)	Total for Quarter Ending 12/2019
BC Reform Adults	153,485	153,473	153,642	460,600
Transitional Medical Assistance (TMA) Adults	31,565	32,309	32,687	96,561

### Childless Adult and TMA Re-Enrollment Statistics

In September 2015 CMS requested that Wisconsin analyze the demonstration groups to identify how many members had been disenrolled and subsequently regained program eligibility.

In providing these statistics we included those members that regained full-benefit eligibility within 12 months of the current reporting quarter. The statistics provided below include those childless adult and TMA members who were disenrolled since April 2014 (the start of the demonstration) and were enrolled in the fourth quarter of demonstration year 5.

While program enrollment has stabilized within demonstration population groups, the childless adult population (group 2) decreased by 0.14% and the TMA adult population (group 1) increased by 3.33% in re-enrollments from the prior quarter.

Quarter of Disenrollment	Waiver Group	Number re-enrolled within one year by benefit plan									All Benefit	Total Disenrolled	% Re-enrolled within one year
		BCSP	FSTMA	MAP	MAPW	MCD	MCDW	SSIMA	WWMA				
04/14 - 06/14	CLA	4,962	1	260	16	399	97	155	8	5,898	16,291	36.20%	
04/14 - 06/14	TMA	6,289	0	7	1	25	4	15	2	6,343	10,551	60.12%	
07/14 - 09/14	CLA	5,686	1	229	14	386	95	142	3	6,556	14,478	45.28%	
07/14 - 09/14	TMA	5,691	0	6	0	15	4	13	3	5,732	9,531	60.14%	
10/14 - 12/14	CLA	6,890	1	277	13	412	101	121	2	7,817	17,310	45.16%	
10/14 - 12/14	TMA	5,733	0	3	0	14	3	9	1	5,763	9,334	61.74%	
01/15 - 03/15	CLA	8,346	0	261	10	470	94	146	5	9,332	20,828	44.81%	
01/15 - 03/15	TMA	5,237	0	5	0	10	3	6	0	5,261	7,719	68.16%	
04/15 - 06/15	CLA	13,240	2	323	16	478	108	185	1	14,353	37,233	38.55%	
04/15 - 06/15	TMA	6,136	1	3	0	4	4	9	2	6,159	9,314	66.13%	
07/15 - 09/15	CLA	10,843	0	270	16	425	113	149	5	11,821	27,122	43.58%	
07/15 - 09/15	TMA	6,778	0	3	0	13	3	9	1	6,807	10,482	64.94%	
10/15 - 12/15	CLA	11,118	1	312	16	463	120	177	6	12,213	28,270	43.20%	
10/15 - 12/15	TMA	7,622	0	3		7	1	5	2	7,640	11,583	65.96%	
01/16 - 03/16	CLA	10,906	0	272	14	442	107	141	5	11,887	28,608	41.55%	
01/16 - 03/16	TMA	5,099	0	4	0	8	4	5	0	5,120	7,943	64.46%	
04/16 - 06/16	CLA	11,659	0	260	11	426	97	162	5	12,620	29,221	43.19%	
04/16 - 06/16	TMA	7,936	0	7	0	9	1	8	0	7,961	12,477	63.81%	
07/16 - 09/16	CLA	10,673	0	392	28	491	132	168	7	11,891	27,954	42.54%	
07/16 - 09/16	TMA	7,831	0	3	1	11	3	9	5	7,863	12,602	62.39%	
10/16 - 12/16	CLA	10,651	0	320	28	474	122	166	8	11,770	28,968	40.63%	
10/16 - 12/16	TMA	8,310	0	7	1	9	9	8	2	8,346	12,848	64.96%	
01/17 - 03/17	CLA	9,778	0	319	22	453	122	191	4	10,889	26,637	40.88%	
01/17 - 03/17	TMA	7,850	0	11		13	3	14	2	7,893	12,188	64.76%	
04/17 - 06/17	CLA	10,035	0	383	19	535	135	182	6	10,916	26,684	40.91%	
04/17 - 06/17	TMA	7,755	0	7	0	14	5	9	3	7,770	12,404	62.64%	
07/17 - 09/17	CLA	9,317	1	349	26	468	148	137	1	10,131	24,904	40.68%	
07/17 - 09/17	TMA	7,237	0	7	0	10	7	9	2	7,249	11,788	61.49%	
10/17 - 12/17	CLA	9,766	0	403	39	564	166	148	6	10,722	27,008	39.70%	
10/17 - 12/17	TMA	7,806	1	11	0	13	5	12	2	7,818	12,525	62.42%	
01/18 - 03/18	CLA	9,164	1	335	19	486	121	159	5	9,978	25,037	39.85%	
01/18 - 03/18	TMA	7,534	0	46	0	28	12	13	1	7,584	11,853	63.98%	
04/18 - 06/18	CLA	9,588	1	325	25	507	126	180	5	10,427	25,327	41.17%	
04/18 - 06/18	TMA	7,607	0	30	2	31	8	2	0	7,642	12,203	62.62%	
07/18 - 09/18	CLA	9,761	0	317	18	490	129	128	2	10,536	25,702	40.99%	
07/18 - 09/18	TMA	7,587	0	40	0	39	7	12	1	7,629	12,171	62.68%	
10/18 - 12/18	CLA	10,675	1	392	17	736	184	187	3	11,700	28,640	40.85%	
10/18 - 12/18	TMA	6,950	0	37	1	42	15	15	0	7,001	10,606	66.01%	

### Outreach/Innovative Activities to Assure Access

All HMOs serving BadgerCare Plus members, which includes members of this demonstration waiver population, but are not limited to the demonstration population, are required to submit their member communication and outreach plans to the DHS for review. All materials are reviewed and approved by

the DHS prior to distribution to members. Such materials include HMO-developed member handbooks, HMO-developed new member enrollment materials, and HMO-developed brochures.

The DHS also contracts with the City of Milwaukee Health Department to focus on outreach to current and prospective BadgerCare Plus members in Milwaukee County. As part of this agreement, staff is available at multiple locations throughout the county, including Milwaukee Health Department sites, in order to provide assistance with ACCESS applications and renewals, as well as with other enrollment and eligibility troubleshooting.

## Collection and Verification of Encounter Data and Enrollment Data

Following is a summary of the quarterly managed care enrollment. Enrollment for the quarter shows approximately 85% of all childless adults enrolled in managed care which is comparable with managed care enrollment for other BadgerCare Plus populations. Managed care enrollment for the current quarter has decreased by over 1900 members from the prior quarter. As of January 1, 2019 Physicians Plus merged with Quartz so enrollment is now reported under Quartz.

BadgerCarePlus HMO Childless Adult Enrollment	19-Jan	19-Feb	19-Mar	19-Apr	19-May	19-Jun	19-Jul	19-Aug	19-Sep	19-Oct	19-Nov	19-Dec
Anthem Blue Cross Blue Shield	18,799	19,319	19,335	19,481	19,546	19,623	19,694	20,072	20,218	20,114	20,237	20,054
Children's Community Health Plan	11,431	11,585	11,528	11,492	11,661	11,733	11,607	11,879	11,973	11,804	11,900	11,910
Dean Health Plan	4,347	4,466	4,477	4,373	4,421	4,450	4,440	4,482	4,450	4,380	4,377	4,346
Group Health Eau Claire	7,213	7,283	7,184	7,082	7,059	7,006	6,913	6,934	6,845	6,815	6,747	6,676
Group Health South Central	1,572	1,608	1,604	1,577	1,562	1,557	1,535	1,545	1,531	1,516	1,524	1,482
iCare	6,590	6,702	6,669	6,557	6,673	6,599	6,546	6,671	6,656	6,580	6,633	6,536
Managed Health Services	8,490	8,739	8,715	8,682	8,828	8,855	8,836	2,040	2,051	2,012	2,004	1,984
Mercy	1,949	1,994	1,986	2,003	2,048	2,011	2,034	8,959	9,011	8,985	8,987	8,920
Molina	7,946	8,085	8,031	7,959	8,063	8,073	8,025	8,161	8,201	8,209	8,193	8,045
Network	8,394	8,618	8,595	8,575	8,743	8,726	8,726	8,867	8,904	8,861	8,916	8,891
physicians Plus												
Quartz	6,032	6,143	6,161	6,095	6,114	6,077	6,003	6,093	6,064	6,034	6,064	5,975
Security	8,886	9,122	9,145	9,157	9,167	9,117	9,063	9,084	9,027	8,903	8,848	8,781
Trilogy	4,218	4,338	4,314	4,271	4,408	4,459	4,418	4,577	4,611	4,590	4,597	4,625
United Health	31,143	31,913	31,803	31,753	31,952	31,863	31,696	31,978	31,895	31,523	31,533	31,247
<b>Total</b>	<b>127,010</b>	<b>129,915</b>	<b>129,547</b>	<b>129,057</b>	<b>130,245</b>	<b>130,149</b>	<b>129,536</b>	<b>131,342</b>	<b>131,437</b>	<b>130,326</b>	<b>130,560</b>	<b>129,472</b>

## Operational/Policy/Systems/Fiscal Developments/Issues

The state has not identified program developments/issues/problems that have occurred in the current quarter or are anticipated to occur in the near future that affect health care delivery, quality of care, approval and contracting with new plans, health plan contract compliance and financial performance relevant to the demonstration, fiscal issues, systems issues, and pertinent legislative or litigation activity.

## Financial/Budget Neutrality Development/Issues

The state has not identified any significant developments/issues/problems with financial accounting, budget neutrality, and CMS 64 and budget neutrality reporting for the current quarter.

Please see Attachment A for a copy of the budget neutrality workbook.

The chart provides monthly and quarterly enrollment and expenditure data for the BadgerCare Plus Reform Adult Waiver since its inception in April 2014 through March 2018. This data is compared to the childless adult CORE baseline from April 2013 through March 2014 for budget neutrality purposes.

The data shows waiver enrollment increasing each month from April 2014 to March 2015. Childless adult waiver enrollment has remained relatively stable since March 2015.

The monthly managed care enrollment growth rate peaked in March 2015, reflecting the systematic transition of enrollees from FFS to managed care. Managed care enrollees also declined starting in April 2015.

Since the waiver's April 2014 inception, per-member-per-month (PMPM) costs have increased, but are well below the budget neutrality limits established with the waiver and we do not have any concerns or issues to report at this time.

## Consumer Issues

Consumers have not reported any significant issues related to coverage and/or access to the program and benefits in the current quarter.

## Quality Assurance/Monitoring Activity

The DHS consistently monitors activities using a systematic approach that ensures services for all BadgerCare Plus (BC+) populations are reviewed for quality assurance.

In this quarter, DHS conducted the following activities:

*Obstetric Medical Home Initiative (OBMH) for High-Risk Pregnant Women-* The OBMH provides a patient-centered, comprehensive, and coordinated care delivery model to order to improve healthy births outcomes amongst high-risk pregnant women. The OBMH is available to high-risk pregnant women in Milwaukee, Madison, and the surrounding suburban metro counties; with a high-risk pregnant women being defined as a member that meets one or more of the following criteria:

- Listed on the Department's Birth Outcome Registry Network (BORN) of high-risk women
- Less than 18 years of age
- African American
- Homeless
- Have a chronic medical or behavioral health condition which the obstetric care provider determines would negatively impact the outcome of the pregnancy

HMOs and clinics are expected to provide participants with enhanced care coordination in order to increase the likelihood of a healthy birth. Participating clinics can receive enhanced payments for their role in meeting certain care coordination standards and for healthy birth outcomes. The standards for enhanced payment are:

- A pregnancy-related appointment with a health care provider within the first 16 weeks of pregnancy. Enrollment in the OB Medical Home within 20 weeks of pregnancy
- Attended a minimum of 10 medical prenatal care appointments with the OB care provider
- A member centric, comprehensive care plan that has been reviewed by the member and, at minimum, the OB provider
- Continuous enrollment in the OB medical home during pregnancy
- Continuous enrollment through 60 days postpartum, including the date of the scheduled 60 day medical postpartum visit.

Clinics receive an enhanced payment of \$1,000 per birth if the above standards are met. Clinics can receive an additional enhanced payment of \$1,000 per birth if the birth is healthy; poor birth outcomes are defined as:



- Preterm birth – gestational age less than 37 weeks
- Low birth weight – birth weight less than 2,500 grams (5 lbs. 8 oz.)
- Neonatal/early neonatal death – death of a live-born infant within the first 28 days of life
- Stillbirth – a fetal demise after 20 weeks gestation

The EQRO maintains the OBMH electronic birth registry on an ongoing basis. The EQRO completed its preliminary record review for Q2 2019 during Q4 2019.

*Performance Improvement Projects (PIPs)*- HMOs are required to undertake performance improvement projects annually, in order to address the specific needs of the HMO's enrolled population. The PIPs may include clinical and non-clinical performance areas that are expected to have a favorable effect on health outcomes and enrollee satisfaction.

- HMOs that serve only the BC+ population are required to submit two PIP proposals on two different BC+ topics.
- HMOs that serve both the BC+ and SSI population are required to submit two PIP proposals on two different topics – either one PIP specific to each population or both PIPs must include both populations.

Health plans should submit PIPs which use objective quality indicators to measure the effectiveness of the interventions. The HMO must submit a preliminary PIP proposal summary that meets the PIP guidelines issued by the EQRO, the study question/project aims with a measurable goal, study indicators, study population, sampling methods if applicable, data collection procedures, improvement strategies, sustained improvement plan, and the prospective data analysis plan.

The State and the EQRO will review the preliminary PIP proposals and meet with the HMO to give feedback to the HMO on the PIP proposal. After implementing the PIP over one calendar year, the HMO must submit to the EQRO their completed PIP. The EQRO will schedule a conference call with the HMO to review the EQRO feedback on the final PIP report.

The EQRO reviewed, and provided feedback for, CY2020 HMO PIP proposals for during Q4 2019.

*HMO Core Reporting Measurement Validation* – In order to monitor and improve Medicaid HMO service delivery, participating HMOs must report core data metrics to the State annually. Core Reporting focuses on providing the State healthcare quality data for a broad set of conditions and related measures. The measures include HEDIS-like measures and Medicaid Encounter Data Driven Improvement Core Measure Set (MEDDIC-MS). It does not include a payment withhold, though requires HMOs to report data on specific quality measures listed in the State Quality Guide. If HMOs do not report this data to the Department, they could be subject to a \$10,000 penalty per measure not reported.

During Q4 2019, the EQRO validated some MY18 Core Reporting measures for all of the 16 BC+ HMOs participating in 2018. The validation ensures the accuracy of the measures reported by HMOs, and that the measures adhere to the DHS specifications. The EQRO validated five measures for the BC+ HMOs during the Q4 2019 review.

*External Quality Review Activities (EQRO)*- The following are the current Q4 2019 activities completed by the External Quality Review Organization (EQRO) – MetaStar for the HMOs operating the BadgerCare+ program.

- Completed Selection 31 of OBMH record reviews.
- PIP proposal review – 16 PIPs for HMOs operating BC+ plans.
- Validated performance measures with report to DHS.

## **Managed Care Reporting Requirements**

Starting April 1, 2014 childless adults were enrolled in BadgerCare Plus fee-for-service benefits. Starting in July 2014 the state began enrolling childless adults into managed care with an average of 20,000 members in each month until all new members have been enrolled in managed care as applicable. HMOs are required to report to the DHS on the status of quality initiatives, PIPs, and other programmatic requirements.

## **Demonstration Evaluation**

On November 12, 2014, the Centers for Medicare and Medicaid Services (CMS) approved the Department of Health Services (DHS) evaluation plan. The DHS has incorporated the approved evaluation plan as Attachment C.

The DHS has signed an interagency agreement and contracted with the UW Population Health Institute to conduct the evaluation. DHS and the UW began work on the evaluation September 1, 2015. The UW's Scope of Work and Workplan are included as Attachment E.

During the third quarter of demonstration year 3 DHS and the UW Population Health Institute also discussed suggested modifications to the CMS approved evaluation design. Included in Attachment C are the following documents:

- Suggested Modifications to Approved Evaluation Design
- Evaluation Design Change Summary Crosswalk
- CMS Comments and Questions on Suggested Modifications
- Wisconsin Response to CMS Comments and Questions

DHS and the UW Population Health Institute are incorporating these modifications into the second survey and final evaluation report that will be issued in the second quarter of 2019.

## **State Contact(s)**

Emily Loman  
Policy Initiatives Advisor  
Division of Medicaid Services

Wisconsin BadgerCare Reform section 1115 demonstration  
Approval Period: January 1, 2014 through December 31, 2019

Wisconsin Department of Health Services  
1 W. Wilson Street, Room 550  
Madison, WI 53701-0309  
Tel: 608-261-7838, e-mail: [Emily.Loman@dhs.wisconsin.gov](mailto:Emily.Loman@dhs.wisconsin.gov)

## Attachment A – Budget Neutrality Monitoring Workbook

## Attachment B – Summary of Premiums for TMA Adults Only

Individuals affected by, or eligible under, the demonstration will be responsible for premium payments in accordance with the table below. The sunset date for these premiums was December 31, 2018.

Therefore, beginning in the first quarter of demonstration year 6, TMA adults are no longer responsible for premium payments.

### TMA Adults (Demonstration Population 1)

Monthly Premium Amount Based on FPL Percentage	Monthly Premium Amount as Percentage of Income
100.01 – 132.99%	2.0%
133 – 139.99%	3.0%
140 – 149.99%	3.5%
150 – 159.99%	4.0%
160 – 169.99%	4.5%
170 – 179.99%	4.9%
180 – 189.99%	5.4%
190 – 199.99%	5.8%
200 – 209.99%	6.3%
210 – 219.99%	6.7%
220 – 229.99%	7.0%
230 – 339.99%	7.4%
240 – 249.99%	7.7%
250 – 259.99%	8.05%
260 – 269.99%	8.3%
270 – 279.99%	8.6%
280 – 289.99%	8.9%
290 – 299.99%	9.2%
300% and above	9.5%

## Attachment C – Demonstration Evaluation Plan & Approved Modifications



WI BadgerCare Reform Final Approve



BadgerCare Reform Demonstration Evaluat



Suggested Modifications to Appr



Evaluation Design Change Summary



CMS Comments and Questions on Suggestio



Wisconsin Response to CMS Comments an

## Attachment D – BadgerCare Plus Reform Waiver Project Work Plan



Adobe Acrobat  
Document

## Attachment E – University of Wisconsin Scope of Work & Project Work Plan



BadgerCare Plus  
Reform Waiver Project