

Wisconsin BadgerCare Reform 1115 Waiver Demonstration
Section 1115 Quarterly Report

Section 1115 Quarterly Report Summary

Demonstration Year:
3 (1/1/2016 – 12/31/2016)
Federal Fiscal Quarter:
2 (4/1/2016 – 6/30/2016)

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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 second quarter of demonstration year 3 the number of unique program participants decreased along with the total number of childless adults enrolled in the program for the quarter. From the prior quarter the total number of unique program participants decreased from 170,266 to 166,971. The year to date total of unique program participants enrolled increased to 191,240. Total monthly enrollment decreased from the prior quarter with 153,212 childless adults in March 2016 and 147,989 childless adults in June 2016.

Transitional Medical Assistance (TMA) Adults - In the second quarter of demonstration year 3 the number of unique program participants increased as did the total number of TMA adults enrolled in the program. From the prior quarter the total number of unique program participants increased from 28,806 to 29,615,

with a year to date total of 42,043. Total monthly enrollment also increased from the prior quarter with and 19,815 TMA adults in March 2016 and 20,533 TMA adults in June 2016.

The rate of disenrollment for non-payment of premiums for the TMA Adult population 100% to 133% FPL was 7%, compared to 20% for the TMA Adult population over 133% FPL, a slight increase for the TMA Adult population 100% to 133%. We will attempt to learn more about the reasons behind the variances between the two populations through the formal evaluation that will be conducted during demonstration year 3.

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.

Enrollment Counts for Quarter and Year to Date				
Demonstration Populations	Total Number of Demonstration Participants Quarter Ending – 06/30/2016*	Current Enrollees (year to date)**	Disenrolled in Current Quarter	TMA Adults Disenrolled Due to Non-Payment of Premiums (current quarter)***
BC Reform Adults	166,971	191,240	25,643	N/A
TMA Adults – 100% to 133% FPL	19,261	26,812	3,474	1,304
TMA Adults – Over 133% FPL	10,354	15,231	3,743	2,063
*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				

Member Month Reporting				
Eligibility Group	Month 1 (April 2016)	Month 2 (May 2016)	Month 3 (June 2016)	Total for Quarter Ending 06/2016
BC Reform Adults	151,504	149,709	147,989	449,202
TMA Adults – 100% to 133% FPL	13,513	13,525	13,733	40,771
TMA Adults – Over 133% FPL	8,342	6,515	6,800	21,657

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 second quarter of demonstration year 3.

While program enrollment has stabilized within both demonstration population groups, both the childless adult population (group 2) and the TMA adult population (group 1) experienced a decrease in re-enrollments from the prior quarter increased from the prior quarter.

		Number re-enrolled within one year by benefit plan										
Quarter of Disenrollment	Waiver Group	BCSP	FSTMA	MAP	MAPW	MCD	MCDW	SSIMA	WWMA	All Benefit Plans	Total Disenrolled	% Re-enrolled within one year
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%
CLA = Childless Adults												
TMA = Transitional Medical Assistance												

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 from the prior quarter following the overall enrollment trend.

BadgerCare Plus Childless Adult HMO Enrollment	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16
Anthem Blue Cross Blue Shield	13,684	14,053	14,669	14409	14602	14415
Children's Community Health Plan	10,537	10,740	10,997	10750	10740	10624
Compcare	3863	3932	4040	4035	4024	3996
Dean Health Plan	4772	4805	4879	4699	4633	4558
Group Health Eau Claire	6376	6500	6791	6776	6692	6665
Group Health South Central	2120	2138	2297	2246	2214	2149
Gundersen	2419	2528	2546	2524	2528	2623
Health Tradition	1199	1220	1281	1249	1247	1236
iCare	6670	6752	6854	6611	6493	6387
Managed Health Services	8628	8637	8753	8578	8406	8242
Mercy	2268	2316	2449	2423	2398	2400
Molina	9320	9499	9779	9511	9363	9256
Network	8564	8548	8551	8564	8343	8204
Physicians Plus	2796	2817	3003	2995	2928	2959
Security	8578	8838	9119	9129	9031	8859
Trilogy	3497	3604	3669	3630	3611	3567
UnitedHealthcare	28,237	28,906	29,884	29726	29631	29701
Unity	1321	1351	1347	1288	1258	1280
Total	124,849	127,184	130,908	129,143	128,142	127,121

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 December 2015. 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. From April 2015 to June 2016 waiver enrollment decreases slightly as enrollment stabilizes. Fee-for-service (FFS) enrollment peaks in June 2014 and steadily declines each subsequent month through June 2016.

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, tracking with the overall decline in childless adult enrollment.

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 populations are reviewed for quality assurance.

Health Needs Assessment Requirement for Childless Adults

The 2016-2017 BadgerCare Plus HMO contract required health plans to conduct a Health Needs Assessment (HNA) screening of newly enrolled BadgerCare Plus childless adult members within two months of HMO enrollment. The contract requires HMOs to include the following elements in the HNA screening:

- a. Urgent medical and behavioral symptoms (e.g., shortness of breath, rapid weight gain/loss, syncope, suicidal ideations, psychotic break);
- b. Members' perception of their general well-being;
- c. Identify usual sources of care (e.g., primary care provider, clinic, specialist, dental provider);
- d. Frequency in use of emergency and inpatient services;
- e. History of chronic physical and mental health illnesses (e.g., respiratory disease, heart disease, stroke, diabetes/pre-diabetes, back pain and musculoskeletal disorders, cancer, overweight/obesity, severe mental illness(es), substance abuse);
- f. Number of prescription medications used monthly;
- g. Socioeconomic barriers to care (e.g., stability of housing, reliable transportation, nutrition/food resources, availability of family/caregivers to provide support);
- h. Behavioral and medical risk factors including member's willingness to change their behavior such as:
 - i. Symptoms of depression
 - ii. Alcohol consumption and substance abuse
 - iii. Tobacco use

- i. Weight (e.g., using BMI or waist circumference) and blood pressure indicators.

HMOs can conduct the screening in-person, over the phone, via mail or online.

For 2016, BadgerCare Plus HMOs are required to meet the lesser of the following targets of **timely** HNA Screenings:

- a. Performance Level Target: 35% rate of timely HNA Screenings in calendar year 2016-2017;
OR
- b. Reduction in Error Target: 10% improvement from baseline.

HMOs who do not meet the HNA target in 2016 will be subject to liquidated damages. The amount will be the lesser of either \$250,000 or \$40 per BadgerCare Plus Childless Adult member for whom the HMO failed to meet the target in the calendar year.

In the second quarter of 2016, DHS worked with the EQRO to develop the HNA review process and define the HNA performance measurement specifications which were included in the 2016 HNA Guide. In June 2016, DHS shared a preliminary draft of the HNA Guide and had a conference call with the 18 HMOs to discuss the HNA review process and the HNA measurement specifications.

External Quality Review Activities

Following are the current activities for the second quarter of the demonstration completed by the External Quality Review Organization (EQRO) – MetaStar for the HMOs operating the BadgerCare+ program.

- Finalized review feedback of documents for accreditation gaps for the deeming strategy for accredited HMOs.
- Conducted an information systems capability assessment for one HMO and delivered a preliminary report to DHS and the HMO that contains analysis and results.
- Conducted a compliance with standards review for two HMOs and held the on-site visits; preliminary findings and the report are underway.
- In collaboration with DHS, drafted a Childless Adults Health Needs Assessment Guide and presented the new review activity outline to HMOs on a conference call. In addition, began identifying the sample population for the new review activity for CY 2017.

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 D.

Following is the current status of completing the DY2 survey and interim evaluation report.

1. Developed the survey instrument, sampling strategy, fielded the survey (April 2016) in collaboration with the UW Survey Center. As Donna noted, follow-up with non-respondents is currently underway with the goal of 50% response rate. (Related Evaluation Questions: 6-7; 9-10; 13-14; 17)
2. We have made substantial progress in defining and constructing the "building block" variables required for most all of the evaluation questions including enrollment spell, exits due to an RRP or other cause, post-RRP reentry, duration of enrollment, income and income variability, premium eligibility & payment, etc. This large data task requires frequent and substantive back and forth between the UWPHI evaluation team, the DHS staff, and the IRP staff that maintains and extracts the CARES enrollment data. We are currently validating these variables in the relevant study populations. (Related evaluation questions: all)
3. We have conducted data validation with the CARES enrollment and RRP files in conjunction with the development of our foundational variables (described above), so we can begin analyses of enrollment-related questions. The currently available CARES data runs through Sept 2015. (Related evaluation questions: 8; 10-12; 17).
4. We've developed an initial operational version of our analytic plan for RRP enrollment-related evaluation questions (Q10-12). We expect to begin implementing these analyses in July 2016.
5. Questions 13-16 pertain to the effect of standard plan enrollment relative to core plan enrollment on the health and health care outcomes of CLAs. We have developed an initial analytic plan that focuses on one domain of health services that will then serve as the model/test ground for all of the relevant health service and health-related outcomes for this population. The initial analyses will focus on behavioral health services.
6. We have constructed and/or revised health services use measures that capture quantity in 3 service categories: outpatient, inpatient and ED. Measure development for prescription medications and quality-related outcomes is in progress.

State Contact(s)

Craig Steele
Project Manager
Division of Health Care Access and Accountability
Wisconsin Department of Health Services

1 W. Wilson Street, Room 350
Madison, WI 53701-0309
Tel: 608-266-7024, e-mail: craig.steele@wisconsin.gov

Attachment A – Budget Neutrality Monitoring Workbook

Childless Adults Draft Financial Statistics - Waiver Reporting for Quarter Ending June 2016

Childless Adult Quarterly Comparison	Claim Expenditures (\$ in AF)	Prior Year QE Expenditures (\$ in AF)	Ave Monthly Enrollment	Prior Year QE Ave Monthly Enrollment	Ave Monthly PMPM	Prior Year QE Ave Monthly PMPM
QE June 2014	101,210,605	22,157,735	111,187	18,660	302.75	395.80
QE Sept. 2014	137,243,424	21,246,908	130,036	17,487	351.42	404.97
QE Dec. 2014	167,024,246	20,296,922	143,883	16,288	386.86	415.43
QE Mar. 2015	190,022,630	18,692,247	160,613	14,762	394.29	422.27

Adult Waiver Quarterly Trends	Claim Expenditures (\$ in AF)	Quarter-over-Quarter Percent Change	Ave Monthly Enrollment	Quarter-over-Quarter Percent Change	Ave Monthly PMPM	Quarter-over-Quarter Percent Change
QE June 2015	194,501,401	-	155,823	-	416.22	-
QE Sept. 2015	195,525,111	0.53%	150,708	-3.28%	432.46	3.90%
QE Dec. 2015	195,787,397	0.13%	151,100	0.26%	431.92	-0.12%
QE Mar. 2016	202,532,256	3.44%	153,951	1.89%	438.53	1.53%
QE June 2016	205,216,191	1.33%	149,786	-2.71%	456.73	4.15%

CORE Baseline (Childless Adults)	Claim Expenditures (\$ in AF)	Fee for Service Enrollees	CAP Expenditures	CAP Members	Total Expenditures	Total Enrollees	Overall PMPM
Apr-13	2,624,273	2,383	4,956,173	16,741	7,580,446	19,124	396.38
May-13	2,582,125	2,333	4,832,357	16,330	7,414,482	18,663	397.28
Jun-13	2,409,378	2,203	4,753,430	15,989	7,162,808	18,192	393.73
Jul-13	2,553,051	1,926	4,721,124	15,922	7,274,175	17,848	407.56
Aug-13	2,395,752	1,832	4,671,819	15,674	7,067,571	17,506	403.72
Sep-13	2,359,752	1,836	4,545,410	15,272	6,905,162	17,108	403.62
Oct-13	2,568,860	1,898	4,411,923	14,809	6,980,783	16,707	417.84
Nov-13	2,222,150	1,657	4,372,572	14,633	6,594,722	16,290	404.83
Dec-13	2,444,132	1,579	4,277,285	14,288	6,721,417	15,867	423.61
Jan-14	2,372,043	1,519	4,069,353	13,844	6,441,396	15,363	419.28
Feb-14	2,153,802	1,403	3,929,873	13,330	6,083,675	14,733	412.93
Mar-14	2,373,347	1,360	3,793,829	12,830	6,167,176	14,190	434.61

BC Reform Adult Waiver (Childless Adults)	Claim Expenditures (\$ in AF)	Fee for Service Enrollees	CAP Expenditures	CAP Members	Total Expenditures	Total Enrollees	Overall PMPM
Apr-14	26,293,463	96,182	3,144,558	9,532	29,438,021	105,714	278.47
May-14	31,276,064	100,972	2,951,909	8,878	34,227,973	109,850	311.59
Jun-14	33,724,699	105,854	3,819,912	12,144	37,544,611	117,998	318.18
Jul-14	34,866,576	100,968	7,541,232	23,898	42,407,808	124,866	339.63
Aug-14	31,278,043	86,034	13,633,326	44,239	44,911,369	130,273	344.75
Sep-14	31,688,502	73,344	18,235,745	61,625	49,924,247	134,969	369.89
Oct-14	30,266,965	56,976	23,979,739	82,485	54,246,704	139,461	388.97
Nov-14	25,478,921	44,182	28,569,601	99,066	54,048,522	143,248	377.31
Dec-14	26,403,009	35,918	32,326,011	113,022	58,729,020	148,940	394.31
Jan-15	26,394,875	33,569	34,803,062	121,838	61,197,937	155,407	393.79
Feb-15	25,007,418	33,697	36,623,234	128,387	61,630,652	162,084	380.24
Mar-15	29,129,303	30,584	38,064,738	133,765	67,194,041	164,349	408.85
Apr-15	29,456,121	29,722	37,519,234	132,317	66,975,355	162,039	413.33
May-15	27,360,880	28,230	36,302,788	127,131	63,663,669	155,361	409.78
Jun-15	28,891,476	28,546	34,970,901	121,523	63,862,377	150,069	425.55
Jul-15	29,659,951	26,494	35,844,716	124,332	65,504,667	150,826	434.31
Aug-15	28,853,707	25,755	36,152,405	125,021	65,006,112	150,776	431.14
Sep-15	28,864,462	25,540	36,149,870	124,981	65,014,332	150,521	431.93
Oct-15	29,296,944	25,971	36,168,361	124,108	65,465,305	150,079	436.21
Nov-15	28,427,953	27,012	36,052,707	123,951	64,480,661	150,963	427.13
Dec-15	29,971,594	29,061	35,869,837	123,196	65,841,431	152,257	432.44
Jan-16	30,065,391	31,689	35,724,664	122,387	65,790,055	154,076	427.00
Feb-16	30,824,207	29,776	36,215,887	124,301	67,040,094	154,077	435.11
Mar-16	32,445,700	25,521	37,256,408	128,179	69,702,108	153,700	453.49
Apr-16	31,520,659	25,057	36,616,538	126,212	68,137,197	151,269	450.44
May-16	32,018,819	24,584	36,421,489	125,200	68,440,308	149,784	456.93
Jun-16	32,395,235	23,979	36,243,450	124,325	68,638,686	148,304	462.82

*MC Enrollees have some of their expenditures in FFS Claims as well: Wrap around, Pharmacy, etc.
 **FFS Claims are pulled on a date of service basis. PMPM comparisons may be skewed due to claims lag for months of October 2015 through December 2015
 *** Expenditures and enrollment may not tie to future quarterly reports as numbers will be adjusted to account for claims lag
 **** All data for April 2015 - June 2016 pulled on Aug 19, 2016 from DSS, not from MBES quarterly report
 ***** Note that expenditures are not net of drug rebates. Net expenditures will be reported in MBES for the CMS 64 quarterly report.

Attachment B – Summary of Cost-Sharing for TMA Adults Only

Individuals affected by, or eligible under, the demonstration with the co-payments below

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



WI BadgerCare Reform Final Approval



BadgerCare Reform Demonstration Evaluation

Attachment D – BadgerCare Plus Reform Waiver Project Work Plan



BadgerCare Plus
Reform Waiver Project

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



BadgerCare Reform
Waiver Evaluation - S