

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:  
2 (4/1/2019 – 6/31/2019)

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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 second 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 166,090 to 167,207. Total monthly enrollment decreased from the prior quarter with 151,645 childless adults in April 2019 and 151,173 childless adults in June 2019.

Transitional Medical Assistance (TMA) Adults (Population Group 1) - In the second 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 31,315 to 34,492. Total monthly enrollment increased from the prior quarter with 26,183 TMA adults in April 2019 and 27,623 in June 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 – 06/30/2019*	Current Enrollees (year to date)**	Disenrolled in Current Quarter	TMA Adults Disenrolled Due to Non-Payment of Premiums (current quarter)***
BC Reform Adults	167,207	187,508	17,317	
Transitional Medical Assistance (TMA) Adults	34,492	42,792	3,911	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 (April 2019)	Month 2 (May 2019)	Month 3 (June 2019)	Total for Quarter Ending 06/2019
BC Reform Adults	151,645	151,424	151,173	454,242
Transitional Medical Assistance (TMA) Adults	26,183	26,881	27,623	80,687

### 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) increased by 1.32% and the TMA adult population (group 1) decreased by 1.36% 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%	

### 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 increased by over 600 members from the prior quarter. As of January 1, 2019 Physicians Plus merged with Quartz so enrollment is now reported under Quartz.

<b>BadgerCare Plus HMO Childless Adult Enrollment</b>	<b>19-Jan</b>	<b>19-Feb</b>	<b>19-Mar</b>	<b>19-Apr</b>	<b>19-May</b>	<b>19-Jun</b>
Anthum Blue Cross Blue Shield	18,799	19,319	19,335	19,481	19,546	19,623
Childrens Community Health Pla	11,431	11,585	11,528	11,492	11,661	11,733
Dean Health Plan	4,347	4,466	4,477	4,373	4,421	4,450
Group Health Eau Claire	7,213	7,283	7,184	7,082	7,059	7,006
Group Health South Central	1,572	1,608	1,604	1,577	1,562	1,557
iCare	6,590	6,702	6,669	6,557	6,673	6,599
Managed Health Services	8,490	8,739	8,715	8,682	8,828	8,855
Mercy	1,949	1,994	1,986	2,003	2,048	2,011
Molina	7,946	8,085	8,031	7,959	8,063	8,073
Network	8,394	8,618	8,595	8,575	8,743	8,726
Physicians Plus						
Quartz	6,032	6,143	6,161	6,095	6,114	6,077
Security	8,886	9,122	9,145	9,157	9,167	9,117
Trilogy	4,218	4,338	4,314	4,271	4,408	4,459
UnitedHealthcare	31,143	31,913	31,803	31,753	31,952	31,863
<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>

## 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 review for Q4 2018 during Q2 2019.

*Health Needs Assessment (HNA) for Childless Adults (CLAs)*- Per the 2018-19 BC+ and SSI HMO contract, HMOs are required to conduct a Health Needs Assessment (HNA) screening of newly enrolled childless adult (CLAs) members within two months of enrollment. Beginning in 2018, CLA members who disenroll from their HMO, then re-enroll in the same HMO after six or more months, will need a new HNA screening.

At a minimum, the HNA screening must address the following elements:

- 1) Urgent medical and behavioral symptoms (e.g., shortness of breath, rapid weight gain/loss, syncope, suicidal ideations, psychotic break);
- 2) Members' perception of their general well-being;
- 3) Identify usual sources of care (e.g., primary care provider, clinic, specialist, dental provider);
- 4) Frequency in use of emergency and inpatient services;
- 5) 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);
- 6) Number of prescription medications used monthly;
- 7) Socioeconomic barriers to care (e.g., stability of housing, reliable transportation, nutrition/food resources, availability of family/caregivers to provide support);
- 8) Behavioral and medical risk factors including member's willingness to change their behavior such as:
  - a. Symptoms of depression
  - b. Alcohol consumption and substance abuse
  - c. Tobacco use
- 9) Weight (e.g., using BMI or waist circumference) and blood pressure indicators.

HNAs can be completed in-person, over the phone, via mail or online.

For 2018, HMOs are required to meet the lesser of the following targets of **timely** HNA Screenings:

- 1) Performance Level Target: 35% rate of timely HNA Screenings in calendar year 2018; OR

- 2) Reduction in Error Target: 10% improvement from baseline.

HMOs that do not meet the HNA target will be subject to financial performance penalties. The penalty amount will be the lesser of either \$250,000 or 25% of the monthly administrative capitation rate for the proportion of the BadgerCare Plus Childless Adult (CLA) membership for whom the HMO failed to meet the HNA performance target in the calendar year. DHS will create a bonus pool for HMOs that are high HNA-performers based on forfeitures from other HMOs. HMOs that in 2018 perform at or above the 35% HNA performance target will qualify for a bonus.

The EQRO conducted reviews of CLA performance for all fifteen HMOs during Q2 2019.

*External Quality Review Activities (EQRO)*- The following are the current Q2 2019 activities completed by the External Quality Review Organization (EQRO) – MetaStar for the HMOs operating the BadgerCare+ program.

- Completed Selection 30 of OBMH record reviews.
- Completed reviews for BC+ Childless Adults Reviews for 15/15 HMOs.

## **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.

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## **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 Approval



BadgerCare Reform Demonstration Evaluation



Suggested Modifications to Approval



Evaluation Design Change Summary



CMS Comments and Questions on Suggestions



Wisconsin Response to CMS Comments and

## 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