

Wisconsin BadgerCare Reform 1115 Waiver Demonstration
Section 1115 Quarterly Report

Section 1115 Quarterly Report Summary

Demonstration Year:
5 (1/1/2018 – 12/31/2018)
Federal Fiscal Quarter:
2 (1/1/2018 – 3/31/2018)

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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 first quarter of demonstration year 5 the number of unique program participants decreased slightly. From the prior quarter the total number of unique program participants decreased from 168,515 to 167,923. Total monthly enrollment increased from the prior quarter with 150,799 childless adults in December 2017 and 152,373 childless adults in March 2018.

Transitional Medical Assistance (TMA) Adults (Population Group 1) - In the first quarter of demonstration year 5 the number of unique program participants decreased. From the prior quarter the total number of unique program participants decreased from 29,822 to 28,337. Total monthly

enrollment decreased from the prior quarter with 20,403 TMA adults in December 2017 and 19,281 TMA adults in March 2018.

The rate of disenrollment for non-payment of premiums for the TMA Adult population 100% to 133% FPL was 5%, compared to 18% for the TMA Adult population over 133% FPL, representing no change in the rate for the TMA Adult population 100% to 133% and a 3% decrease in the rate of disenrollment for the TMA adults between 100% and 133% FPL from the prior 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.

Enrollment Counts for Quarter and Year to Date				
Demonstration Populations	Total Number of Demonstration Participants Quarter Ending – 03/31/2018*	Current Enrollees (year to date)**	Disenrolled in Current Quarter	TMA Adults Disenrolled Due to Non-Payment of Premiums (current quarter)***
BC Reform Adults	167,923	167,923	17,950	
TMA Adults – 100% to 133% FPL	18,596	18,596	2,560	920
TMA Adults – Over 133% FPL	9,741	9,741	3,047	1,716
*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 (January 2018)	Month 2 (February 2018)	Month 3 (March 2018)	Total for Quarter Ending 03/2018
BC Reform Adults	153,119	153,045	152,373	458,537
TMA Adults – 100% to 133% FPL	13,721	13,718	13,251	40,690
TMA Adults – Over 133% FPL	8,103	6,939	6,030	21,072

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 first quarter of demonstration year 5.

While program enrollment has stabilized within demonstration population groups, the childless adult population (group 2) increased very slightly by 0.25% and the TMA adult population (group 1) decreased very slightly by 0.20% in re-enrollments from the prior quarter.

Quarter of Disenrollment	Waiver Group	Number re-enrolled within one year by benefit plan									Total Disenrolle	% Re-enrolled within one year
		BCSP	FSTMA	MAP	MAPW	MCD	MCDW	SSIMA	WWMA	All Benefit		
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%

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 increased by over 6,100 members from the prior quarter.

BadgerCare Plus HMO Childless Adult Enrollment	Jan-18	Feb-18	Mar-18
Anthem Blue Cross Blue Shield	17,719	18,544	18,806
Childrens Community Health Plan	11,213	11,612	11,762
Dean Health Plan	4396	4557	4618
Group Health Eau Claire	7968	8148	8164
Group Health South Central	1570	1656	1658
iCare	6498	6715	6750
Managed Health Services	7887	8276	8417
Mercy	2040	2095	2118
Molina	8336	8496	8538
Network	8047	8420	8560
Physicians Plus	2618	2795	2756
Quartz	3495	3641	3691
Security	8925	9345	9483
Trilogy	3857	4050	4164
UnitedHealthcare	30,388	32,001	32,274
Total	124,957	130,351	131,759

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 populations are reviewed for quality assurance.

Following are the current activities for the first quarter of demonstration year 5 completed by the External Quality Review Organization (EQRO) – MetaStar for the HMOs operating the BadgerCare Plus program.

- Started Selection 25 of OBMH record reviews.
- Reviewed resubmitted PIP proposal by one HMO.
- Started document review for Compliance with Standards Reviews and conducted onsite for one HMO.
- Pulled samples for calendar year 2017 BC+ Childless Adults Reviews and confirmed review dates with all 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.

State Contact(s)

Emily Loman
Policy Initiatives Advisor
Division of Medicaid Services
Wisconsin Department of Health Services
1 W. Wilson Street, Room 350
Madison, WI 53701-0309
Tel: 608-261-7838, e-mail: Emily.Loman@dhs.wisconsin.gov

Attachment A – Budget Neutrality Monitoring Workbook

Childless Adults Draft Financial Statistics - Waiver Reporting for Quarter Ending Dec 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	203,349,273	3.86%	154,108	1.99%	439.84	1.83%
QE June 2016	207,432,111	2.01%	149,978	-2.68%	461.06	4.82%
QE Sept 2016	208,783,312	0.65%	148,851	-0.75%	463.78	0.59%
QE Dec 2016	209,562,741	0.37%	148,313	-0.36%	470.99	1.55%

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	30,567,954	31,712	35,272,857	122,417	65,840,812	154,129	427.18
Feb-16	31,560,039	29,849	36,205,235	124,302	67,765,274	154,151	439.60
Mar-16	32,520,154	25,876	37,223,033	128,168	69,743,187	154,044	452.75
Apr-16	32,107,251	25,105	36,595,146	126,197	68,702,397	151,302	454.07
May-16	32,863,416	24,691	36,344,300	125,201	69,207,716	149,892	461.72
Jun-16	33,363,798	24,483	36,158,201	124,258	69,521,999	148,741	467.40
Jul-16	32,056,984	23,478	36,315,576	124,442	68,372,559	147,920	462.23
Aug-16	35,289,122	24,025	36,379,061	124,254	71,668,183	148,279	483.33
Sep-16	32,179,935	23,541	36,562,634	124,658	68,742,569	148,199	463.85
Oct-16	32,637,451	24,033	36,117,486	123,296	68,754,937	147,329	466.68
Nov-16	32,466,950	24,757	36,139,367	123,308	68,606,316	148,065	463.35
Dec-16	32,697,705	26,137	35,947,933	122,492	68,645,638	148,629	461.86
Jan-17	34,790,635	29,033	36,733,934	121,647	71,524,569	150,680	474.68
Feb-17	31,548,016	26,294	37,651,889	124,813	69,199,905	151,107	457.95
Mar-17	35,912,236	23,632	38,311,009	127,222	74,223,246	150,854	492.02
Apr-17	32,691,691	22,188	38,255,202	127,204	70,946,893	149,392	474.90
May-17	36,535,340	22,241	37,980,190	126,296	74,515,530	148,537	501.66
Jun-17	35,900,235	22,042	37,709,725	125,315	73,609,960	147,357	499.53
Jul-17	34,441,491	22,060	38,019,173	126,385	72,460,664	148,445	488.13
Aug-17	37,955,284	22,056	38,072,922	126,406	76,028,206	148,462	512.11
Sep-17	35,201,070	20,737	38,158,299	126,886	73,359,369	147,623	496.94
Oct-17	38,521,064	22,882	37,943,027	126,258	76,464,091	149,140	512.70
Nov-17	36,470,231	24,605	37,942,195	126,233	74,412,426	150,838	493.33
Dec-17	34,673,461	26,033	37,988,103	126,225	72,661,564	152,258	477.23
Jan-18	38,203,638	27,204	41,875,177	125,533	80,078,815	152,797	524.09
Feb-18	34,243,804	21,775	43,567,602	131,000	77,811,406	152,775	509.32
Mar-18	37,560,235	19,653	43,966,548	132,430	81,526,783	152,083	536.07

*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 Jan 2018 through March 2018

*** Expenditures and enrollment may not tie to future quarterly reports as numbers will be adjusted to account for claims lag

**** All data for Oct 2017 - March 2018 pulled on 5/7/2018 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.

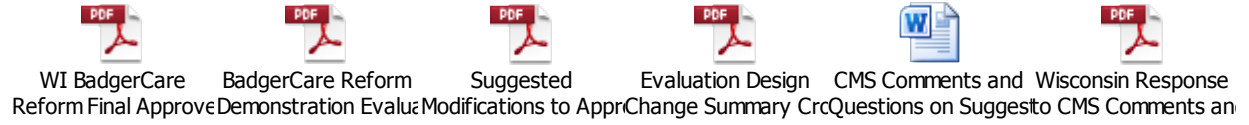
Attachment B – Summary of Cost-Sharing for TMA Adults Only

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 & Approved Modifications



Attachment D – BadgerCare Plus Reform Waiver Project Work Plan



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Document

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



BadgerCare Plus
Reform Waiver Project