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**Income Maintenance Advisory Committee (IMAC) Meeting Minutes
Thursday, February 15, 2007**

Attendees/participants: Jackie Bennet, Racine Co. (by phone); Lynn Brenner, Calumet Co. (by phone); Nancy Buckwalter, DWD (by phone); Jeff Burkhart, DHFS; Gail Chapman, DHFS (by phone); Mary Claridge, DHFS; Christy Dehr, Richland Co. (by phone); Sheila Drays, Dodge Co.; Sara Edmonds, DHFS; Joanne Faber, Washington Co.; Tim Gessler, Winnebago Co.; Liz Green, Dane Co.; John Haine, DHFS; Linda Halvorson, Dunn Co.; Jane Huebsch, Marathon Co.; Vicki Jessup, DHFS; Jim Jones, DHFS; Ed Kamin, Kenosha Co.; Shirley Kitchen, Dodge Co. (by phone); Doreen Lang, Wood Co.; Pamela Lohaus, DHFS; Chris Machamer, Waupaca Co. (by phone); Liz Mahloch, Sheboygan Co.; Bob Martin, DHFS; Mike McKenzie, DHFS; Amy Mendel-Clemens, DHFS; Susan Moeser, Milwaukee Co.; Lorie Mueller, LaCrosse Co.; Kirstin Nelson, DHFS; Clare O'Brien, Milwaukee County (by phone); Luann Page, Waukesha Co.; John Rathman, Outagamie Co.; Amy Roland, Outagamie Co.; Jodi Ross, DHFS; Eden Schafer, DHFS; Sue Schweichert, Washburn Co. (by phone); Cindy Sutton, Rock Co. (by phone)

I. Administrative Items

- The January 2007 meeting minutes were approved.
- Jeff Burkhart was introduced as BEM's new Outreach Coordinator.
- The "Access AFB Process/Systems Concerns from Local Agencies" matrix was updated by Autumn and distributed to members of the committee.

II. 2007-09 Biennial Budget

The Governor's 07-09 budget includes a number of bold, positive initiatives:

- Pursue fiscal responsibility including a reduction in future obligations;
- Reduce tobacco use;
- Improve access to health care;
- Provide all children the opportunity to succeed (strengthen K-12 school);
- Job development; and
- Expansion of state aid to municipalities.

Initiatives specific to Income Maintenance:

1. **A new "Department of Children and Family Services"** will be created to include all of the Division of Children and Family Services, some of the Division of Public Health and some of the Divisions in DWD (W-2, Child Care and Child Support). A transition plan will be developed by end of CY 2007 to move forward.
2. **BadgerCare Plus** will be implemented 1/1/08 and will replace "Family Medicaid". The plan is to expand and simplify the program for children, pregnant women, parents/caretakers, farmers and self-employed parents, youths exiting out of foster care and welfare moms. There will be two benefit plans: a benchmark and standard plan. Premiums will be assessed for adults with income above 150% of the FPL and for kids

with family income over 200%. The premiums will start at \$10 and the maximum is the total per member, per month cost or 5% of total family income (whichever is less). Children can buy-in to the program at the total per member, per month rate.

The income limits will be compared to gross (rather than net) income and will align with FoodShare in that minors' earnings will not be counted. A deduction will be given for child support obligation rather than child support payments. DHFS plan to significantly modify the health insurance verification process, and failure on part of the employer or state to obtain information will not impact an individual's eligibility. The program will feature a reduced reporting policy similar to the FoodShare policy; DHFS estimate the number of changes that require processing will be reduced by at least 300,000. DHFS believe the program will reduce local workload and improve payment accuracy. Data exchanges will be modified so that information is only sent to the eligibility worker if it impacts eligibility. There will also be some policy changes related to joint custody and non-financial requirements, and system changes related to the 30-day processing timeframe. Jim Jones has been talking with CMS about the proposal since last October. They are excited about the experimental nature of the proposal and the Department is optimistic that it will be approved. A waiver package will be submitted next month. If CMS or the legislature makes significant changes, the program implementation date may be delayed.

3. **BadgerCare Plus Expansion-** In January 2009, there will be an expansion of BadgerCare Plus to include adults who are not caring for children. The details have not yet been worked out, but DHFS estimate it would cover approximately 71,000 individuals who are currently receiving aid through the chronic disease programs and general assistance. Mental health benefits will be carved out. These individuals will qualify for the benchmark plan, which is more limited than Medicaid. There will also be a re-insurance feature for small employers to retain insurance or keep premiums affordable. All of the new cases will be processed centrally. Individuals who are eligible for Medicare will be excluded. The interaction of the expansion with HIRSP will be put off until the next budget.
4. **SeniorCare-** The Governor and legislature are committed to continuing the program. DHFS has submitted an extension request to CMS and they have until next month to respond. If they don't respond by the deadline, the waiver will be extended automatically. If the waiver doesn't get extended, the program will not automatically be eliminated because of the way it is structured in the law; it would be funded with GPR until the funds run out.
5. **Expansion of Family Planning Waiver (FPW) to males ages 15-45, and an income limit increase to 200% of the FPL.** FPW will adopt the BadgerCare Plus simplified income methodology because DHFS wants the programs to fit together. The budget includes some additional IM funding for the associated workload. These changes will require an amendment to our waiver, but seven states have already accomplished the same changes Wisconsin has proposed.
6. **Family Care expansion-** Additional IM funding was not included for FamilyCare expansion because the costs are offset by the workload savings associated with BC+. In the short term, there will be centralized enrollment for individuals already receiving Medicaid card services. The centralized enrollment process has been going well.

The long term plan is to connect the functional screen with CARES for new applications and conversions. The functional screen is currently connected for re-determinations, but now that we have an inbox we hope to transfer functional screen results there. The functional screen will be expanded to include the enrollment date, medical/remedial expenses, etc. There may be a way a more expeditious way to enroll SSI recipients into Family Care than is currently the case.

Funding was provided to counties that began expansion prior to 1/1/08 because workload savings was not yet available. It was decided that the original five pilot counties will continue to get funding. County agencies are concerned about the workload associated with the additional cases after the initial 24 month period and feel the \$12.8 million is really county funding, so the level of under funding is just reduced. The IMAC Workload and Financing subcommittee is going back to the workload model to re-evaluate the estimates in light of caseload changes.

7. **Quality Assurance** – DHFS has requested funding to hire Income Maintenance Payment Accuracy Consultants because the current PAC positions are being funded with FoodShare reinvestment and those funds are no longer available. In addition, limits will be placed on medical/remedial expenses for community waiver and deductible cases. There will also be increased verification requirements.
8. **Religious exemption for providing SSN** for Medicaid. The exemption is already available for FoodShare applicants and recipients. CMS required DHFS to put it in statute before the policy could be changed in the State Plan Amendment.
9. **Elimination of the child support cooperation requirement for non-custodial parents** applying for FoodShare. This policy change will eliminate many of the child support non-cooperation sanctions and will therefore increase program participation and reduce workload.
10. **Participation in FSET program will become voluntary, and it is being moved to DHFS from DWD.** The statutory language indicates DHFS can choose whether to have counties or the W-2 agency administer the program. We will be meeting with local agency representatives to discuss transition and implementation. DHFS anticipate this change will reduce Wisconsin's FoodShare active and negative error rates because currently, some people get sanctioned when they shouldn't, and others don't get sanctioned when they should. In addition, this initiative will increase program participation, reduce workload, and reduce the number of fair hearings. A committee member pointed out that this proposal could have negative impact for those counties that also operate W-2, because they contribute their own funds for administration and obtain federal match.
11. **Medicare Part B-** For those who are eligible, enrollment in Medicare Part B will become a Medicaid eligibility requirement. Medicaid is prohibited from covering services that are covered under Medicare Part B. For a small number of people who are eligible for Part B but are not currently enrolled, accurate claims processing is tremendously difficult. The state will be required to pay the Part B premium for everyone on Medicaid who is eligible for the benefit.

12. **Asset Transfers-** the Deficit Reduction Act of 2005 (DRA) requires significant changes to divestment policies including the look-back period, penalty period begin date, annuities, home equity, undue hardship, etc.
13. **Citizenship/ID-** The federal citizenship and identity verification requirements will be put into law. Funding of approximately \$800,000 (all funds) per year has been requested to compensate for the additional workload.

III. Fraud Update

The Administrator's Memo related to 2007 fraud and program integrity allocations has not yet been issued. However, a message was sent to all of the agency fraud contacts in late December 2006 to notify them that allocations will remain the same in CY 2007 as they were in CY 2006. They were also notified that a new fraud plan was not required unless there was a significant change in their staffing or processes. Agencies just need to certify that the plan they're operating under is still current.

A key component of the pilots is that the fraud prevention investigator (FPI) is responsible for data entry into the FITS screens. A new security profile has been developed so that FPI staff will only have access to the FITS screens, rather than all of CARES. With better data about savings, it may be possible to obtain additional funding for fraud prevention and investigation in the next biennial budget.

DWD is considering how to detect and handle child care provider fraud. Agencies that use their administrative funding want an incentive for establishing overpayment claims. DWD would like us to consider inclusion of provider fraud in this model, but they currently only provide funding for recipient fraud. The pilot model assumes a cost of \$80,000 per full time employee. Dane County will implement a pilot of this model in April, and DHFS are working with Portage and Wood Counties on a proposal they have submitted to pilot the FPI model and a possible consortium is being considered for Northern Wisconsin.

The Fraud ad-hoc subcommittee will continue to meet about how can claims establishment can be streamlined and improved.

IV. BadgerCare Plus Update

BEM staff is currently reviewing the Medicaid Eligibility Handbook to identify any policy areas that may not have been previously considered. The current handbook will be split into two handbooks: BC+ and EBD/LTC. A number of workgroups have been formed to:

- Expand CWW to include budget screens;
- Implement the Intelligent Independent Eligibility Determination (IIED). With IIED, eligibility will only be determined for the program that a worker requesting the eligibility determination is authorized to access, the programs requested and for changes that have a potential impact on eligibility for that program. DHFS have already done analysis about which elements effect eligibility;
- Re-engineer CARES notices of decision;
- Incorporate presumptive eligibility into ACCESS for pregnant women, family planning waiver and children. There will also be automated newborn reporting through CWW inbox. We expect to expand this functionality for the family planning waiver and add functionality for newborn reporting with the implementation of the new interChange system, which replaces the current Medicaid Management Information System (MMIS);

- Explore a data exchange between eWISACWIS and CARES for youths exiting out-of-home foster care; and
- Make changes to the employer verification process for health insurance and earnings.

A suggestion was made to combine the Medicaid/FoodShare paper application. DHFS strongly encourage individuals to apply online using ACCESS, but this suggestion will be further considered. The BC+ application will be limited to one page, but will likely have “supplements” if more information is needed to determine eligibility.

V. CARES outages

Bob Martin explained some of the infrastructure issues that have been occurring that resulted in CARES outages. The server affected was “Production One” and although CWW was affected, Access and WISA were not. The problem first occurred on 1/16, and on 1/19 it became a “priority one”. As of 1/22, the problem was upgraded to a “critical situation” and IBM experts from all over the world were working on the problem 24 hours a day, seven days a week. One of the challenges is that the problem didn’t occur unless the server was turned on. Huge trace files were added to help identify the problem.

During the previous week, three things were changed: database connections were added, the trace files were removed and the network card was replaced. As of this week, it appears that the problems have been resolved. The problem was especially frustrating because the hardware is four years old and will be completely replaced on 5/31 in a new data center.

Ed Kamin, Kenosha County, determined that every hour of CWW outage cost the agency 40 hours.

VI. Next Meeting: March 15, 2007, Fen Oak

Requested agenda items for next IMAC meeting:

- Medicaid transportation (including budget changes and status of automated tracking system);
- Notice Redesign;
- County list of ideas for policy, system, and central processing; and
- Customer Service Report.

Minutes submitted by: Vicki Jessup