

WISCONSIN DEPARTMENT OF HEALTH SERVICES
Division of Health Care Access and Accountability
1 West Wilson Street
Madison, WI 53703

To: BadgerCare Plus Eligibility Handbook Users

From: Shawn Smith, Bureau Director
Bureau of Enrollment Policy and Systems

RE: **BadgerCare Plus Release 14-02**

Release Date: May 14, 2014

Effective Date: May 14, 2014

EFFECTIVE DATE The following policy additions or changes are effective 05/14/2014 unless otherwise noted. **Grey highlighted text** denotes new text. Text with a strike through it denotes deleted text.

Policy Clarifications

General Updates

Note: The BadgerCare Plus Benchmark Plan, the BadgerCare Plus Core Plan, and the BadgerCare Plus Basic Plan ended on March 31, 2014. Some information about these plans is still included throughout the BadgerCare Plus Handbook for reference to recently implemented policies.

1.1.2 BadgerCare Plus Health Plans

~~Through March 31, 2013, existing BC+ members will have one of two major health care benefit plans: Standard Plan and Benchmark Plan. The Standard Plan is for adults, parents or caretakers with household income at or below 100% of the Federal Poverty Level (FPL) and children and pregnant women with income at or below 300% of the Federal Poverty Level. The Benchmark Plan which provides more limited services than the Standard Plan, is for families with income above 200% of the FPL, and for self-employed parents and caretakers. (See Table 50.1 for FPL limits)~~

BadgerCare Plus has several limited health plans. These include:

- Family Planning Only Services
- BC+ Prenatal Program, and
- BC+ Emergency Services

Standard plan members may be asked to pay a share of the cost of services. The co-pay amount ranges from \$.50-\$3.00 per service.

~~Benchmark plan members will be asked to pay a share of the cost of services provided to them. The co-pay will be charged once per office visit. Under the Benchmark plan, the member may be required to pay co-pays and deductibles prior to receiving services.~~

~~See the chart below for BC+ benefit plans for existing BC+ members through March 31, 2013. Beginning February 1, 2014, all new applicants found eligible for BC+ will be covered under the Standard Plan. Beginning April 1, 2014, all BadgerCare Plus members, regardless of when they applied, will receive coverage under the Standard Plan.~~

2.7.2 BC+ Group

Example 8 has been updated.

Examples using MAGI Rules

2.8.2 MAGI Income Counting Rules

Currently Tax dependents are only required to file a tax return if they have more income than the filing thresholds set by the IRS each year. If the child or tax dependent of another member in the same AG expects to have less annual taxable income than the amounts below, his/her income is not included in the eligible determination for the AG.

- \$950 \$1,000 per year in taxable unearned income, or
- \$5,950 \$6,200 per year in taxable earned income.

~~These amounts are expected to change annually.~~ For expected unearned income, do not count Child Support, Social Security, Supplemental Security Income (SSI), Workers Compensation, Veteran's Benefits, ~~or Grants, Scholarships or Loans~~ Money from Another Person or Educational Aid.

Examples 2 and 4 have been updated.

3.1 Residence

1. Be physically present in Wisconsin. There is no minimum requirement for the length of time the person has been physically present in Wisconsin. Wisconsin residents who are temporarily out of state (see Chapter 3.5 Absence from Wisconsin), including students going to school in another state, do not have to be physically present to apply. However, individuals who are not Wisconsin residents and intend to move to Wisconsin must be physically present in Wisconsin to apply.

Examples 1 and 2 are new with this release.

3.6 Inmates

This section has been rewritten with this release. The changes are too numerous to list.

4.3.4 Immigration Status Chart

The chart has been updated.

| | |
|----|---|
| 04 | Lawfully present under Section 208 207(c) |
|----|---|

16.1.2 Income under non-MAGI Rules

In general, all available gross income is counted when determining BC+ eligibility under non-MAGI rules for existing BC+ members with a filing date prior to February 1, 2014 (See 16.1.1). See unavailable income below for exceptions to this rule.

16.2 Income Types Not Counted

The following income types have been updated:

14. Payments to Native Americans
29. ~~VA Allowances~~ Veterans Benefits
40. Child Support

16.3.2 Pre-Tax Deductions

~~The following~~ Under MAGI rules, pre-tax deductions will be allowed if the payments are taken out of the individual's paycheck on a pre-tax basis. Examples include but are not limited to:

1. Health Insurance premium payments, including pre-tax premium

payments for medical, dental or vision plans

16.3.3 Tax Deductions

2. Higher Education Expenses Includes tuition, school fees, room and board, and other school-related expenses such as books and supplies, and amounts paid for books or fees, but only if those amounts are required to be paid to the institution as a condition of enrollment or attendance. This deduction may not be claimed for expenses that were paid with tax-free educational assistance. Grants and scholarships used for tuition and fees are generally non-taxable, therefore this deduction cannot be claimed for the portion of tuition and fees that were paid for with grants and scholarships. This is capped at a monthly amount of \$333
3. Self-employment Tax Deduction Applies to individuals who are self-employed, and pay self-employment tax who owe self-employment tax, and who are able to deduct a portion of the self-employment tax they pay. Only deduct the portion that the person can deduct on their tax return (as calculated on Schedule SE), not the entire amount of self-employment tax that is paid.

16.4.3.2.2 Worksheets

If you decide to use IRS tax forms, use them together with the self-employment income worksheets (F-16034, F-16035, F-16036, F-16037 and F-16037A).

16.5 Other Income

2. Child Support

Under MAGI rules, do not count child support income. If a household is receiving family support, divide the payment by the number of members in the household. The amount of the payment allocated to the child(ren) is considered child support and is disregarded. Count the amount of the payment allocated to the adult(s) as alimony/spousal support.

17.3 Children Under 19

The deductible amount for a child under 19 is the amount of countable income above 150% FPL for a 6 month period.

Under MAGI rules, to meet the deductible, the child or his/her parents included in the child's BC+ group must incur medical bills equal to the deductible amount. Deductible-based eligibility is **not** extended to other children or members of the original assistance group. The parents' medical expenses may be used for meeting the deductible of more than one child at a time.

Under non-MAGI rules, to meet the deductible, the child or other family members included in the BC+ group must incur medical bills equal to the deductible amount. Once the deductible is met, the child and all other children under 19 in the BC+ group will be covered under the Standard plan without a premium, for the remainder of the deductible period.

17.3.1 Deductible Period

Example 1 has been updated.

17.3.2 Calculating the Deductible Amount

To calculate the dollar amount of the BC+ deductible for children under age 19 under non-MAGI rules.

2. Compare the total income of each month with 150% FPL. If a month's income is less than or equal to 150% FPL, ignore it. If a month's income

is more than the income limit (150% FPL), find the excess income by subtracting the income limit from the income of that month. The child could choose to drop the deductible for months his/her income decreases and the child is eligible to enroll in BC+. If the child chooses to drop the deductible, the 6-month deductible period is interrupted and the deductible lapses. If the income later increases to above 150%, the child would need to start a new deductible period.

17.4 Meeting The Deductible

Note: Under MAGI rules, the deductible is built on an individual basis. To meet the deductible, the member and his/her parents in the BC+ group must incur medical bills equal to the deductible amount. The parent's medical expenses may be used for meeting the deductible of more than one child at a time, but deductible-based eligibility is not extended to other children or members of the original assistance group.

18.1.1 BC+ Extensions Introduction

A BC+ Extension is a period of eligibility given to a person when the ~~countable household~~ assistance group's income increases above 100% FPL ~~for the BC+ group size~~ either due to an increase in earned income, child support income, and/or spousal support; and otherwise meets the BC+ eligibility criteria for persons with incomes below 100% FPL.

- Non-MAGI BC+ individuals (parents/caretakers, pregnant women, and children) can enter an Extension when their assistance group's earned income, child support, or both increases above 100% FPL.
- A parent/caretaker relative or pregnant woman whose eligibility is determined using MAGI rules can enter an extension due to an increase above 100% FPL in the assistance group's earned income, spousal support, or both. The children, stepchildren, and NLRR children of the parent/caretaker will also enter the Extension at this time, provided they are under age 19, living with the parent/caretakers, and meet the income requirements outlined in Chapter 18.1.3.

BC+ members eligible as childless adults are not eligible for an Extension.

~~Failure to pay a premium through March 31, 2014 will result in a 12-month restrictive re-enrollment period for those adults required to pay.~~ Non-exempt adults are subject to premiums while in an Extension (see 19.1) with the exception of adults whose income is at or below 133% FPL during the first 6 calendar months of their Extension. Starting April 1, 2014, the restrictive re-enrollment period for adults who fail to pay a premium will be 3 months (See 19.11). For RRP's that being prior to April 1, 2014, if the adult member has served at least 3 months in an RRP, the RRP may be ended.

The BC+ Extension lasts 4 months when the income goes above 100% FPL solely due to an increase in child support or spousal support. Child support Extensions can occur for anyone under non-MAGI rules. ~~For members tested under MAGI rules~~ Because child support is not a counted income type under MAGI rules, such Extensions for members tested under MAGI rules can only occur based on an increase in spousal support.

Note: Extensions will not be granted to anyone in the household if the household fails to verify the income that would trigger the Extension unless all the parents/caretakers in the Extension are exempt from paying premiums because they are disabled, a tribal member or pregnant.

18.1.2 Pregnant Women

Beginning January 1, 2014, a pregnant woman whose eligibility is tested under MAGI rules will be able to enter an Extension if she was eligible for BC+ as a pregnant woman, or a parent or caretaker relative at any time during the pregnancy with income at or below 100% FPL in 3 of the past 6 months. In most cases, her continuous eligibility as a pregnant woman will take precedence over the Extension, but the Extension will be maintained and will result in eligibility if the pregnancy and postpartum period end prior to the end of the Extension.

18.1.3 Children

Under non-MAGI rules, Extensions apply to all the parents and children in the home who are eligible as part of the same BC+ Test Group (2.3.1). When the Test Group's income exceeds 100% FPL due to increased earnings or child support, all members of the affected BC+ group go into the Extension, as long as at least one member of the group was eligible with income below 100% FPL for 3 of the previous 6 months. Likewise, under most circumstances, the end of an Extension will apply to all of the members of the BC+ Test group. For example, when the household income decreases to 100% FPL or less, the Extension will end for both parents and children. Only when an Extension ends for a parent for failure to pay a required premium will we continue the Extension for the child.

Note: If a child is in an unexpired Extension and a parent qualifies for a new Extension, the child's Extension will continue to stay in the original Extension eligibility category until it expires. The child is not eligible for the new Extension.

18.2.2 Earned Income Extensions under MAGI Rules

To receive a BC+ Extension due to an increase in earnings, a parent, caretaker or pregnant woman under MAGI rules must meet the following requirements:

3. At least 1 member of the AG The parent, caretaker or pregnant woman must have been enrolled in BC+ with income that was at or below 100% FPL for at least 3 of the 6 months immediately preceding the month in which the income went above 100% FPL.
5. S/he verified his or her income, unless s/he is exempt from paying a premium because s/he and any co-parent/spouse in the assistance group are disabled, a tribal member or pregnant. (This policy applies to all adults in the assistance group; unless they are all exempt from paying a premium, income must be verified.)

18.3.2.2 Twelve Month Extensions under MAGI Rules

The 12 month BC+ Extension applies only if:

3. At least 1 member of the AG has S/he must have been enrolled in BC+ with income that was at or below 100% FPL for at least 3 of the 6 months immediately preceding the month in which the income went above 100% FPL, and

18.5.1 Introduction

Note: An assistance group does not need to maintain employment in order to maintain an earned income Extension, irrespective of whether the assistance group is tested under MAGI or non-MAGI rules.

19.1 BC+ Premiums

The following individuals must pay a premium to become or remain eligible for BC+ unless exempt:

2. Parents, stepparents and caretaker relatives with income over 133% 100% FPL in a BC+ Extension that starts on or after April 1, 2014,

If a member's income changes during their Extension, s/he will only be exempt

from premiums if s/he is in the first six calendar months of that Extension, and if his/her income is at or below 133% FPL.

- If the member has an increase in income that puts his/her income above 133% FPL, s/he will be subject to premiums, even if s/he is still in the first six calendar months of the Extension.
- If the member's income subsequently decreases to below 133% FPL, s/he will be exempt from premiums as long as s/he is in the first six months of the Extension.

If the member's income drops below 100% FPL, then later increases and the member qualifies for a new Extension, the six-month premium exemption will begin with the new Extension. If the member does not qualify for a new Extension, the member will be re-enrolled in the previous Extension and the original six-month time frame for exempting premiums will apply.

The following individuals are exempt from the requirement to pay a premium:

1. All Pregnant women and pregnant minors age 19 and above,
9. American Indian or Alaskan Native Tribal members, the son or daughter of a tribal member, the grandson or granddaughter of a tribal member, or anyone otherwise eligible to receive Indian Health Services. The following table outlines which populations of adults and children are exempt from premiums due to their Tribal status:

[The table of American Indian Groups has been removed.]

19.8.1 Non-Payment Introduction

The failure to pay a premium does not affect the eligibility of any person in the household who does not have a premium obligation. If an individual or family with a premium obligation fails to pay the premium by adverse action of the benefit month, BC + will close for those individuals who owed a premium.

- Children under age 19
 - Effective with RRP's beginning January 1, 2014 (for failure to pay December 2013 premiums), children under age 19 who do not pay their premiums will not be eligible for BC+ for 3 calendar months, unless there is good cause (see 19.8.3). See 19.11 for more information.
 - Through December 31, 2013, if those individual(s) are children under age 19, they are children were not eligible for 6 calendar months following the date on which their coverage terminated for failure to pay premiums, unless there was good cause. However, effective April 1, 2014, any RRP's that began prior to January 1, 2014 were updated in CARES to set the RRP end date to no later than 3 months after the RRP started.
- Adults age 19 and older
 - Beginning April 1, 2014, adults who fail to pay a premium will not be eligible for BC+ for 3 calendar months following the date on which their coverage terminated, unless there was good cause. See 19.11 for more information.
 - Through March 31, 2014, adults are not eligible for BC+ for 12 calendar months following the date on which their coverage terminated, unless there was good cause. However, if the adult member has served at least 3 months in an RRP as of April 1, 2014, the RRP may be lifted and the member may re-enroll at their

request.

~~Effective with RRP's beginning January 1, 2014 (for failure to pay December 2013 premiums), children under age 19 who do not pay their premiums will not be eligible for BC+ for three calendar months. See 19.11 for more information. If those individuals are adults age 19 and older, they are not eligible for 12 calendar months following the date on which their coverage terminated, unless there was good cause.~~

19.9 Late Payments

[Two examples in this section have been removed.]

~~Late payments impact eligibility differently, depending on when the late payment is received. Members must pay the overdue payment(s) that resulted in case closure, but do not have to pay the premium owed for the following month, unless the late payment is made after the benefit month.~~

The case will remain open for the benefit month even if no payment is received by the due date. It will close at the end of the benefit month if no payment is received by adverse action in the benefit month.

If the member pays between adverse action of the benefit month and the last day of the benefit month, eligibility can be restored.

~~If the member pays the owed premium any time in the month after the benefit month, eligibility can be restored. If s/he owes a premium for the following month, s/he must pay that premium before CARES will restore eligibility for BC+. The member must pay the IM agency directly (not Fiscal Agent). You can check with the Fiscal Agent to see if a premium has already been collected for that month.~~

Note: An individual's BC+ eligibility can be reinstated during an RRP if the individual pays the owed premiums. For information about payments made during the RRP, see 19.11.

~~If the member pays in the second month after the benefit month, it's considered a non-payment.~~

~~Through December 31, 2013, if the member pays in the second month after the benefit month, it's considered a non-payment. Effective January 1, 2014, the current non-payment policy will continue for adult parents and caretakers who owe premiums. However, children can make late premium payments at any time during their three month RRP (see 19.11).~~

19.11 BadgerCare Plus Restrictive Re-enrollment Period (RRP)

The section has been rewritten with this release. The changes are too numerous to list.

25.8 Begin Dates

2. Inmates - The date the member is no longer an inmate of a public institution. See Section 3.6 for more information on exceptions.

25.8.1 Backdated Eligibility

All non-pregnant, non-disabled parents and caretakers may have their eligibility backdated up to the first of the month, three calendar months prior to the month of application for any of the months in which their family income was:

- At or below 133% FPL, for new applications submitted prior to January

31, 2014 February 1, 2014

OR

- At or below 100% FPL, for new applications submitted on or after February 1, 2014.

32.5 Qualified Hospitals For Presumptive Eligibility

This section is new with this release. The Changes are too numerous to list.

38.2 Standard Plan and Benchmark Plans

Through March 31, 2014, BC+ members can be covered under either the Standard or Benchmark Plan. Effective April 1, 2014, all BC+ members are covered under the Standard Plan. The following chart shows a comparison of some of the covered services and co-payments under the Standard Plan for each plan. Which plan the member is enrolled in depends on the member's status or the countable income used to determine eligibility for that member.

The table of Covered Services has been updated.

38.5.1 BC+ Cards Introduction

Through March 31, 2014, different ForwardHealth cards are issued to BC+, BC+ Core and BC+ Basic members. All BC+ members are issued ForwardHealth cards. These cards are plastic and, depending on the benefit plan, display the words: **ForwardHealth**.

- ForwardHealth Core Plan
- ForwardHealth Basic Plan

Note: Members who were previously enrolled in the BadgerCare Core Plan and the BadgerCare Plus Basic Plan received cards with the program name listed. These programs ended on March 31, 2014.

38.5.1.2 BadgerCare Basic Plan Card Image; 38.5.1.3 BadgerCare Core Plan Card Image

The BadgerCare Plus Basic Plan and the BadgerCare Plus Core plan ended on March 31, 2014. These images have been removed.

40.2.1 Introduction

FPOS temporary enrollment through a presumptive eligibility determination provides family planning services beginning on the day that a qualified provider determines that the individual has income at or below 300% FPL (under non-MAGI rules) or 306% FPL (under MAGI rules), and is:

40.4 FPOS Non-financial Requirements

2. A Wisconsin resident, and
3. Not be enrolled in BC+ or receiving other full benefit Medicaid,
4. One of the following
 - For individuals under age 19:*
 - U.S. Citizen; or
 - Lawfully residing in the United States (no requirement for the amount of time the person is lawfully present in the U.S.).
 - For non-pregnant individuals age 19 and older:*
 - U.S. Citizen; or
 - Lawfully residing in the United States under one of the eligible

immigration statuses/situations listed in section 4.3.4.

**43 BadgerCare Plus
Core Plan**

The BadgerCare Plus Core Plan ended on March 31, 2014. This entire chapter has been removed. To see policy history about the BadgerCare Plus Core Plan, refer to Chapter 43 in the previous PDF versions of the BadgerCare Plus Handbook prior to Release 14-02.

**45 BadgerCare Plus
Basic Plan**

The BadgerCare Plus Basic Plan ended on March 31, 2014. This entire chapter has been removed. To see policy history about the BadgerCare Plus Basic Plan, refer to Chapter 45 in the previous PDF versions of the BadgerCare Plus Handbook prior to Release 14-02.

**51.1 BadgerCare
Plus Medical Status
Codes**

The list of Medical Status Codes has been updated. The Medical Status Codes are in effect April 1, 2014 for all BadgerCare Plus members.

**52.1 Core Plan Health
Insurance**

The BadgerCare Plus Core Plan ended on March 31, 2014. To see covered services that were previously covered under the BadgerCare Plus Core Plan, select "View History" in the upper right hand corner for more information.