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**State of Wisconsin  
Governor Scott Walker**

**TO: Income Maintenance Supervisors  
Income Maintenance Lead Workers  
Income Maintenance Staff  
W-2 Agencies  
Workforce Development Boards  
Job Center Leads and Managers  
Training Staff  
Child Care Coordinators**

**FROM:** Shawn Smith, Bureau Director  
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BEPS/DFS OPERATIONS MEMO		
<b>No: DHS 14-01</b>		
<b>DATE: 1/15/2014</b>		
FS <input type="checkbox"/>	MA <input type="checkbox"/>	BC+ <input checked="" type="checkbox"/>
SC <input type="checkbox"/>	CTS <input type="checkbox"/>	FSET <input type="checkbox"/>
BC+ Basic <input type="checkbox"/>	BC+ CORE <input type="checkbox"/>	
CC <input type="checkbox"/>	W-2 <input type="checkbox"/>	EA <input type="checkbox"/>
CF <input type="checkbox"/>	JAL <input type="checkbox"/>	JC <input type="checkbox"/>
RAP <input type="checkbox"/>	WIA <input type="checkbox"/>	Other <input type="checkbox"/>
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EP		

**SUBJECT:** 2014 Implementation Dates for BadgerCare Plus Policy Changes

**CROSS REFERENCE:** Operations Memos [13-32](#), [13-43](#) and [14-02](#)  
[BC+ Handbook](#)

**EFFECTIVE DATE:** February 1, 2014

**PURPOSE:**

The purpose of this memo is to communicate the timing of key policy and system changes to BadgerCare Plus in 2014, as well as describe the batch run used to implement new income limits effective April 1, 2014.

**BACKGROUND:**

As described in [Operations Memo 13-32](#), provisions in the federal Patient Protection and Affordable Care Act (PPACA or ACA) and in 2013 Wisconsin Act 20 (the State

Biennial Budget) require changes in the policies used to determine eligibility for the BC+ program. The effective date for these changes was planned for January 1, 2014. However, due to difficulties with the federal Health Insurance Marketplace, the Legislature passed 2013 Wisconsin Act 116, which delayed the implementation of most of these policies to April 1, 2014.

Since the passage of 2013 Wisconsin Act 116, the Department of Health Services has completed final negotiations with the federal Centers for Medicare and Medicaid Services (CMS) regarding the necessary federal approvals to implement these policies. Based on the outcomes of these negotiations:

- 1) Wisconsin must apply Modified Adjusted Gross Income (MAGI) budgeting rules for eligibility determinations for all new BadgerCare Plus applicants beginning February 1, 2014;
- 2) Wisconsin will establish an income limit of 100% Federal Poverty Level (FPL) for all new parent and caretaker applicants beginning February 1, 2014. The new income limit of 300% FPL for children will not take effect until April 1, 2014.
- 3) Individuals found eligible for BC+ beginning February 1, 2014 or later will be enrolled in the Standard plan.
- 4) BC+ eligibility for new childless adult applicants will begin April 1, 2014.

For existing members, defined as individuals with a BC+ filing date of January 31, 2014 or earlier including childless adults open under the BC+ Core Plan, eligibility under their current benefit plan will continue through March 31, 2014, as long as they continue to meet program rules.

Prior to March 31, 2014, if an existing member loses eligibility under current BC+ income limits and budgeting rules, the member will be tested using MAGI rules and, if he or she is a parent or caretaker, under new income limits. Parents and caretakers will not lose coverage if eligible under MAGI rules and the new income limits. BC+ Core Plan members who lose eligibility for that program cannot be eligible under MAGI rules and the new income limits until April 1, 2014. Pregnant women will maintain continuous eligibility and children will not be subject to the new income limits prior to April 1, 2014.

The table on the next page summarizes when different members of the BC+ population will be subject to new income limits, MAGI rules, and changes in benefit plan:

<b>Population</b>	<b>MAGI rules effective date</b>	<b>New income limit effective date</b>	<b>Standard Plan effective date</b>
Parents and caretakers with a filing date before 2/1/14	4/1/14 or their 2014 renewal, whichever is later	4/1/14	4/1/14
Parents and caretakers with a filing date before 2/1/14 who report a change effective February or March	If the reported change results in a loss of eligibility under current rules and income limits, MAGI rules are used prior to termination	4/1/14, but if eligibility is tested under MAGI rules prior to 4/1/14, new income limits will be applied at this time, as well.	4/1/14, but if eligibility is confirmed under MAGI rules prior to 4/1/14, enrollment will be under Standard Plan
Parents and caretakers with a filing date on or after 2/1/14	2/1/14	2/1/14	2/1/14
Pregnant women with a filing date before 2/1/14	4/1/14 or their 2014 renewal, whichever is later	N/A	4/1/14
Pregnant women with a filing date on or after 2/1/14	2/1/14	N/A	2/1/14
Children, with a filing date before 2/1/14	4/1/14 or their 2014 renewal, whichever is later	4/1/14	4/1/14
Children, with a filing date on or after 2/1/14	2/1/14	4/1/14	2/1/14
Childless adults currently enrolled in the Core Plan	4/1/14 or their 2014 renewal, whichever is later	4/1/14	4/1/14
New childless adult applicants	4/1/14	4/1/14	4/1/14
Family Planning Only members with a file date prior to 2/1/14	4/1/14 or their 2014 renewal, whichever is later	N/A	N/A
Family Planning Only members with a file date on or after 2/1/14	2/1/14	N/A	N/A

**CARES:**

CARES will be updated over the weekend of February 1, 2014 to reflect the policies described above, with the exception of delaying the 300% FPL income limit for all children (new applicants and existing members) until April 1, 2014. Children with a filing date in February or March 2014 whom CARES determines to meet all other program rules and are above 300% FPL should be manually certified for February and/or March 2014.

In order to test eligibility using MAGI rules, the tax filing and tax dependency information must be entered on the Tax Filing Details Page in CARES Worker Web (CWW). Workers will be able to access and update this page effective February 3, 2014.

**Childless Adults**

CARES will begin to test childless adults under the new MAGS assistance group (AG) starting with March eligibility. The program for this population is not available until April 1<sup>st</sup> so the MAGS AG built for March will fail due to no available program. If the childless adult is over the 100% FPL income limit using MAGI rules, the worker will be able to confirm the MAGS AG as failing and the account will be transferred to the FFM. If the childless adult is at or below the new income limit, the worker will not be able to confirm the MAGS assistance group until after February Adverse Action (AA). CARES will use the information from the benefit calculation to determine whether or not to include the case in the conversion batch run (see information below). If the income is at or below 100% FPL, the case will not be included in the conversion batch run. These cases must have eligibility for April run and confirmed after February AA. As noted below, a report listing these cases will be generated after the conversion batch run.

***TRANSITION TO NEW POLICIES***

As part of the transition to MAGI rules, new income limits and new benefit plans, a conversion batch run will be completed on February 15, 2014 to:

- Apply the new income limits to existing BC+ households for benefits effective April 1, 2014.
- Establish Standard Plan benefits for any existing Benchmark or Core Plan member who remains eligible under the new income limits.
- Apply new med stat codes as needed – for example, to introduce a med stat code to eliminate cost sharing requirements for people with no income.

During this batch run, CARES will apply new income limits to members who are confirmed open for BC+ for the month of April. The batch run will exclude the following populations:

1. BC+ members who are confirmed open for April 2014 using MAGI rules.

2. Childless adults whose eligibility was last run prior to February AA, who met the eligibility requirements for BC+, but who could not yet be confirmed open for April 1, 2014 under MAGI rules.
  - Consortia will receive a report with these members and should re-run eligibility to establish benefits for April.
  - An additional report will include cases with both family BC+ and childless adult members that could not be confirmed prior to February AA because the childless adult benefit could not be confirmed.
3. BC+ members who have a disability determination, a Medicaid Purchase Plan (MAPP) disability determination or a presumptive disability. Because the batch run cannot evaluate these members for eligibility under Elderly, Blind or Disabled (EBD) Medicaid categories, workers must run these members online between February 17 and March AA to apply new income limits and explore eligibility under all categories of Medicaid.
  - Consortia will receive a report with these members and detailed instructions for processing.
4. BC+ members who provided complete MAGI information, for whom eligibility was run and a MAGI assistance group was built, and who meet the new income limits based on MAGI rules.
  - Consortia will receive a report with these members and detailed instructions for processing.
  - Note that cases will not be excluded from conversion if they provide incomplete information in their tax filing information (TFI) form and the case is pended for MAGI information. In addition, cases will not be excluded if the agency has received a TFI form but not yet processed it.
5. Cases for whom the Federally Facilitated Marketplace (FFM) has sent Wisconsin an application, unless the application has been processed and based on the outcome of that processing, the member is over the new income limits for BC+ and is not a childless adult who is categorically eligible under the determination state model. For a detailed explanation of the determination state model, see [Operations Memo 14-02](#).
  - Consortia will receive a report with these members and detailed instructions for processing.

An additional report will be provided to consortia listing members who were included in the conversion and for whom a MAGI assistance group was subsequently built and confirmed open during conversion. Due to technical limitations in the batch run, these must be run online after February AA to establish benefits for April 1<sup>st</sup>. Given that most people who remain eligible because of the application of MAGI rules will be excluded from the batch run, the number of people for whom this will happen is expected to be very low.

- **NOTE:** To avoid sending accounts back and forth between the State and the FFM, self-employed members will be tested for the new income limits during the batch run without adding depreciation back to the countable income.

Upon completion of the batch run, notices of decision will be sent to members to communicate their eligibility results as of April 1, 2014. If a member's eligibility is ending April 1<sup>st</sup> or if they will have a change in BC+ benefit plan, they will receive a notice of decision. If their enrollment is continuing with no change, they will not receive a notice.

The FFM can only accept account transfers for members who have had a MAGI-based determination. For members who are determined ineligible for BC+ for April in the batch run:

- If the member provided a Tax Filer Information (TFI) form, the agency processed it and the member's eligibility was tested under MAGI rules during the batch run as a result, the member's account will be transferred automatically to the FFM as part of the batch run.
- If the member has not provided a TFI form (or if the TFI form has not yet been processed), the member's account will not be transferred and the notice of decision will direct the member to apply directly via the FFM.

As a reminder, for members who continue to be eligible for BC+ under new income limits, MAGI rules will be applied to the case at their next regularly scheduled renewal. For members who completed a renewal effective February or March 2014, MAGI rules will be applied the next time eligibility is run on the case.

### **ACCESS:**

ACCESS Apply for Benefits, Renew My Benefits, Report My Changes, and Am I Eligible? will be updated as of February 3 to reflect the new policies for new applicants. ACCESS for Partners and Providers, which is used to establish presumptive eligibility for children and pregnant women, will also be updated as of February 3.

### **CONTACTS:**

\*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, BC+ Core – BadgerCare Plus Core, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHS/DHCAA/BEPS/AA