



**State of Wisconsin  
Governor Scott Walker**

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**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  
Bureau of Enrollment Policy & Systems  
Division of Health Care Access and Accountability**

**DHS OPERATIONS MEMO**

**No: DHS 14-42**

**DATE: 10/15/2014**

<b>FS</b>	<input type="checkbox"/>	<b>MA</b>	<input type="checkbox"/>	<b>BC+</b>	<input checked="" type="checkbox"/>
<b>SC</b>	<input type="checkbox"/>	<b>CTS</b>	<input type="checkbox"/>	<b>FSET</b>	<input type="checkbox"/>

**SUBJECT: BadgerCare Plus Transitional Benefit for Children**

**EFFECTIVE DATE:** April 1, 2014

**PURPOSE:**

The purpose of this memo is to announce a policy change to BadgerCare Plus (BC+) for 2014 for certain children transitioning from the old income counting methodology for BC+ to the new income counting methodology under Modified Adjusted Gross Income (MAGI) rules. It is also to notify Income Maintenance Agency staff that eligibility for these children is being established and monitored manually by CARES Call Center staff.

**BACKGROUND:**

With the transition to MAGI rules, there is concern that some children may lose Medicaid eligibility as a result of the elimination of income disregards. In order to ensure continuity of coverage for children during this transition, section 2101(f) of the Patient Protection and Affordable Care Act (PPACA or ACA) requires that any child who loses Medicaid eligibility due solely to the discontinuation of income disregards when transitioning to the MAGI rules is to be made continuously eligible for 12 months of coverage under the Children's Health Insurance Program (CHIP). This policy is limited to children who were covered by Medicaid under Title 19 when they lost eligibility due to the loss of the income disregard.

**POLICY:**

Any children who were eligible for BC+ in a Title-19 (T-19) funded medical status code (see chapter 51.1 of the BC+ Eligibility Handbook) as of December 31, 2013, and who, at their first renewal where MAGI methodologies are applied, are no longer eligible for BC+, or BC+ in a T-19 medical status code, as a result of the elimination of the child support income disregard, must be made continuously eligible for BC+ under medical status code 9Z (Title-21 funded), until the child's next annual renewal (12 months). However, eligibility for BC+ for these children may end before the next annual renewal for the following reasons:

- The child reaches age 19;
- The child has access to State-employee health insurance coverage;
- The child moves out of state; or
- Voluntary disenrollment is requested.

Children in this medical status code will not be required to pay premiums, even if their income exceeds 201% of the FPL.

Due to the short time-frames for making CARES changes prior to implementation of ACA changes and the relatively small number of children who are expected to qualify, it was decided that this benefit will be administered and monitored manually by state staff in the CARES Call Center. Monthly reports will be generated to identify the children who qualify for this benefit.

If a child has lost eligibility in a T-19 medical status code because of the loss of a child support income disregard, but is currently open in a CHIP-funded BC+ category, Call Center staff will leave the child's eligibility open in CWW. They will update the premium file in interchange, if necessary to make sure a premium is not owed for this child.

If a child who was in a T-19 medical status code has lost BC+ eligibility altogether because of the loss of the child support income disregard, Call Center staff will certify the child manually using the 9Z medical status code.

Case comments will be updated and a manual positive notice sent in both situations. The Call Center staff will monitor these children on a monthly basis to ensure the correct eligibility is maintained for the 12 month period.

**CARES:**

No impact on CARES.

**CONTACTS:**

BEPS CARES Information & Problem Resolution Center

\*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – SeniorCare, CTS – Caretaker Supplement, FSET – FoodShare Employment and Training.

DHS/DHCAA/BEPS/JL