



Date: September 17, 2015

DHCAA Operations Memo 15-30

To: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff

Affected Programs:	
<input checked="" type="checkbox"/> BadgerCare Plus	<input type="checkbox"/> Caretaker Supplement
<input type="checkbox"/> FoodShare	<input type="checkbox"/> FoodShare Employment and Training
<input type="checkbox"/> Medicaid	
<input type="checkbox"/> SeniorCare	

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

End to BadgerCare Plus Restrictions Related to Dropping Health Insurance

CROSS REFERENCE

BadgerCare Plus Eligibility Handbook, [Section 7.5 Dropped Health Insurance Coverage](#)

EFFECTIVE DATE

July 14, 2015

PURPOSE

This Operations Memo provides notice that BadgerCare Plus policies concerning dropped health insurance coverage are being discontinued.

BACKGROUND

Currently, pregnant women—who would otherwise qualify for the BadgerCare Plus Prenatal Program—and children are ineligible for BadgerCare Plus benefits for three calendar months following the month in which coverage through an employer-provided health insurance plan ended if all of the following are true:

- The employer paid 80 percent or more of the premium, or the insurance was part of the Wisconsin state employees' health insurance plan.
- The child was not exempt.
- The individual did not have good cause for dropping the coverage.

In addition, pregnant women who would otherwise qualify for the BadgerCare Plus Prenatal Program who drop any kind of major medical insurance coverage, not just employer-provided insurance, are ineligible for three calendar months following the month the insurance coverage ended, unless they have good cause for dropping the insurance.

A provision to end this three-month waiting period was included in 2015 Wis. Act 55. The law became effective July 14, 2015.

POLICY

Effective July 14, 2015, pregnant women who qualify for the BadgerCare Plus Prenatal Program and children may be eligible for BadgerCare Plus in the three calendar months following the month coverage through employer-provided or other major medical insurance ended. This change applies to individuals applying for BadgerCare Plus on or after July 14, 2015. It also applies to individuals who were ineligible for BadgerCare Plus as of July 14, 2015, due to coverage they had dropped in April, May, or June 2015.

Since the law change affects individuals who had already been made ineligible for BadgerCare Plus, the state needs to redetermine their eligibility. Income maintenance (IM) agencies must redetermine eligibility for anyone whose application was filed in June or July and who was denied BadgerCare Plus benefits for the month of July solely for dropped insurance coverage in the previous three calendar months. Income maintenance agencies must also redetermine eligibility for anyone on an open case who was ineligible for BadgerCare Plus in July solely due to past insurance coverage that was dropped in April, May, or June 2015.

Note: Making an individual eligible at any point in July will make the individual eligible for the entire month, which is consistent with BadgerCare Plus policy.

Example 1: Sara is an undocumented immigrant and applied for the BadgerCare Plus Prenatal Program on June 20, 2015. She had private insurance coverage until May 31, 2015 and did not have good cause for dropping that coverage. On July 10, 2015, she was denied BadgerCare Plus eligibility for both June and July because of the coverage that she had in May. She does not have any other coverage or any access to employer-provided insurance. She is otherwise eligible for the BadgerCare Plus Prenatal Program. Due to the change in state law, she is eligible for BadgerCare Plus as of July 14, 2015, and the local agency needs to rerun her eligibility for July.

Example 2: Mary, Jim, and their 12-year-old son, Sam, are on an open BadgerCare Plus case. In April 2015, Jim quit his job, which provided health insurance coverage through his employer, and their insurance coverage ended April 30. Jim and Mary, who are not married, are eligible for BadgerCare Plus because their Modified Adjusted Gross Income (MAGI) is under 100 percent of the Federal Poverty Level (FPL). Sam's MAGI is 170 percent of the FPL, so he is ineligible for BadgerCare Plus for May, June, and July due to the past coverage. Because of the change in state law, Sam is eligible for BadgerCare Plus as of July 14, 2015, and the local agency needs to rerun his eligibility for July.

Using the instructions in the CARES section below, IM workers should redetermine July eligibility for any pregnant woman or child that they discover was ineligible because of the dropped insurance coverage policy. The CARES Call Center will be distributing files, as soon as they become available, to the IM agencies identifying affected individuals who need to have their eligibility redetermined for July.

CARES

BadgerCare Plus eligibility due to current or past insurance coverage is controlled by entries on the Medical Coverage page in CARES Worker Web. Individuals appear as ineligible for BadgerCare Plus

with reason code 281. To overcome the ineligibility caused by past coverage, IM workers need to enter “OTHER APPLICABLE REASON” (code “OT”) in the Good Cause field in the “Individual Information” section of the Medical Coverage page.

Individual	Delete Reason	Relation	Verification	Coverage Begin Date	Coverage End Date	Major Medical	Good Cause		
BadgerCare Plus Prenatal Indiv		1 - SELF		01/01/2015	06/30/2015	YES	OT ←		
Non Exempt Child		3 - CHILD		01/01/2015	07/31/2015	YES	OT ←		

Figure 1 Individual Information Section

Until CARES programming is changed to align with state law, IM workers should continue to enter “OT” whenever pregnant women potentially eligible for the BadgerCare Plus Prenatal Program or children lose insurance coverage.

CONTACTS

BEPS CARES Information and Problem Resolution Center

DHS/DHCAA/BEPS/JL