

Wisconsin Community Reentry Demonstration 1115 Waiver Application

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Section 1. Executive Summary

Wisconsin Department of Health Services' (DHS) Division of Medicaid Services ("Wisconsin Medicaid") seeks approval from the Centers for Medicare and Medicaid Services ("CMS") for a new demonstration project under section 1115 of the Social Security Act to provide pre-release services to incarcerated individuals up to 90 days prior to release and post-adjudication of charges to support successful transitions back into the community. Wisconsin Medicaid is requesting authority to claim federal financial participation ("FFP") for a limited core set of pre-release services for otherwise Medicaid-eligible individuals who are incarcerated. These services include:

- Case management
- Medication-assisted treatment (MAT) for substance use disorders (SUD)
- A 30-day supply of covered prescribed medications upon release

Wisconsin Medicaid has strong relationships with the Wisconsin Department of Corrections ("DOC") and other carceral partners, which will support continued efforts under this demonstration to improve transitions and access to care for individuals leaving incarceration. Over several years, Wisconsin Medicaid and DOC have built infrastructure to support individuals in enrolling in Medicaid prior to release. Past efforts have included:

- Creating data sharing pathways to identify Medicaid-enrolled and Medicaid-eligible individuals in DOC facilities.
- Enacting policies and systems changes to simplify enrollment and redetermination for incarcerated Medicaid members, including suspending (not terminating) benefits during incarceration.
- Building partnerships between DOC and enrollment supports (such as enrollment assister organizations and income maintenance agencies) to support Medicaid applications.

This strong foundation will support a robust implementation in service of CMS's goals for this demonstration opportunity. Wisconsin Medicaid and its carceral partners will build on this groundwork to achieve the demonstration opportunity goals described by CMS in [SMD 23-003](#).

This waiver application outlines Wisconsin Medicaid's program background and goals for this demonstration, the specific implementation details and strategies for achieving CMS milestones, and attests to all other requirements outlined by CMS in guidance to states. Wisconsin Medicaid stands ready to partner with CMS to implement this demonstration to better serve our incarcerated members.

Section 2. Program Background and Goals

Program Background

Wisconsin Medicaid seeks approval from CMS for a new Community Reentry 1115 waiver demonstration project. Through this demonstration, Wisconsin aims to provide Medicaid coverage of reentry services for incarcerated individuals during the 90 days pre-release, post adjudication. This will expand access to care for incarcerated individuals and promote continuity of care to support their successful reentry into Wisconsin communities. Authority to cover these services is requested for persons incarcerated in Wisconsin DOC-run adult and youth prisons, county-run jails and other facilities, tribal jails, and DHS-operated carceral facilities for individuals under DOC care but receiving mental health treatment.

Demonstration Rationale: Incarceration and Health in Wisconsin

Wisconsin Carceral System Landscape

The Wisconsin DOC is a primary partner to Wisconsin Medicaid for this demonstration. The DOC includes 30 adult correctional institutions and 16 minimum security correctional centers.

As of June 30, 2026¹, there were a total of 23,477 individuals residing in DOC-run prisons. The majority of the DOC prison population were adults – more than 99% were age 19 or older. The DOC prison population was 92.9% male and 7.1% female. Some non-White racial groups were overrepresented in the DOC prison population compared to the statewide population, as shown in Table 1. The DOC prison population was 12% Hispanic or Latino, compared to 8.8% among the general population.

Table 1: Primary Race of Prison Population Compared to Overall Wisconsin Population

Racial Group	Prison Population ¹	State Population ²
American Indian/Alaska Native	5.4%	1.4%
Asian American/Pacific Islander	1.4%	3.6%
Black	41.8%	6.7%
White/Caucasian	51.3%	84.7%

Wisconsin also has a large system of locally-run carceral facilities, including 76 county jails, 12 juvenile detention facilities, and one Tribal jail. In 2025, there were a total of 162,283 adult admissions into county jails. 76.2% of jail admissions were men, 23.8% were

¹ Wisconsin Department of Corrections, 2026. Month-End Prison Population Dashboards, as of June 30, 2026. Accessed July 30, 2026. [DOC Month-End Prison Population Dashboards](#)

² U.S. Census Bureau, 2025. QuickFacts, Wisconsin Population Estimates. V2025. Accessed July 30, 2026. [U.S. Census Bureau QuickFacts: Wisconsin](#)

women, and fewer than 1% were another gender³. There were a total of 3,158 admissions to county-run juvenile detention facilities³.

Substance Use Disorder Treatment During Incarceration

Providing medication-assisted treatment (MAT) for SUD while individuals are incarcerated is an important strategy to expand access to essential behavioral health care and improve health outcomes for this population. The National Institute on Drug Abuse (NIDA) reports that approximately 60% of people who are incarcerated nationally have a SUD⁴.

There is a risk of overdose for incarcerated individuals, who previously used opioids and were incarcerated without access to treatment and experience a decrease in tolerance, if they resume opioid use after release at similar levels as before their incarceration⁵. A multinational 2024 study found that overdose is the leading cause of death among people returning to their communities from jail or prison⁶. Research has shown that individuals who receive Medication for Opioid Use Disorder (MOUD) while incarcerated have a lower post-release risk of fatal overdose⁷.

Data are unavailable on the prevalence of substance use disorders among the DOC prison population. Efforts to expand treatment in Wisconsin have primarily focused on MOUD.

In the past several years, Wisconsin has improved access to MOUD for incarcerated individuals. As of 2025, all DOC facilities offer at least one form of MOUD⁵. For individuals who arrive at a DOC facility with an active MOUD prescription, all DOC facilities continue buprenorphine and naltrexone treatment⁵. Initiation of MOUD treatment is limited to two DOC facilities⁵. While access has improved, current capacity cannot meet the needs of every individual in incarceration who may benefit from MAT services.

MAT access varies in county-run facilities. Testimony provided during hearings on 2025 Wisconsin Act 233 cited an estimate that fewer than 20% of county jails currently initiate

³ Wisconsin Office of Detention Facilities, 2025. Annual Report. [ODF Annual Report-FINAL.pdf](#)

⁴ National Institute of Drug Abuse, 2024. Criminal Justice Highlights. Accessed July 31, 2026. [Criminal Justice | National Institute on Drug Abuse \(NIDA\)](#)

⁵ Tisdell, A. and Stein, J. Wisconsin Policy Forum, 2026. Treatment Behind Bars. [TreatmentBehindBars_Full-4.pdf](#)

⁶ Borschmann R; Mortality After Release from Incarceration Consortium (MARIC) collaborators; Kinner SA. Rates and causes of death after release from incarceration among 1 471 526 people in eight high-income and middle-income countries: an individual participant data meta-analysis. *Lancet*. 2024 May 4;403(10438):1779-1788. doi: 10.1016/S0140-6736(24)00344-1. Epub 2024 Apr 10. PMID: 38614112.

⁷ Friedmann PD, Wilson D, Stopka TJ, Bernson D, Pivovarov E, Ferguson W, Hoskinson RA Jr, Rottapel RE, Bovell-Ammon B, Gaba A, Morgan JR, Senst T, Hayes E, Evans EA; MassJCOIN Research Hub. Medications for Opioid Use Disorder in County Jails - Outcomes after Release. *N Engl J Med*. 2025 Sep 11;393(10):994-1003. doi: 10.1056/NEJMsa2415987. PMID: 40929634; PMCID: PMC12646036.

MOUD⁸. In 2022, Dane County implemented an MAT program within the county jail to continue MAT for anyone entering the jail who used MAT in the community, and 269 individuals were issued MAT medications⁹. The following year, 524 individuals received either Vivitrol or Buprenorphine/Subutex medications, and 2,637 people received any services through the program (screenings, consultations, referrals, or medications)⁹. The uptake in these services, plus the low overall availability of MAT in county carceral facilities, suggests a significant unmet need for MAT among this population statewide.

Wisconsin DHS and DOC Partnership

Wisconsin DHS and DOC have a longstanding partnership and history of collaboration to improve health care access and outcomes for people experiencing incarceration. Many of these efforts have been supported and evaluated for effectiveness by colleagues at the University of Wisconsin, whose insights continue to inform ongoing pre-release work. This demonstration builds on these lessons and successes to provide timely services to a broader population.

Access to Care Post-Release

Past efforts to support Medicaid enrollment prior to release from incarceration in Wisconsin had positive impacts on Medicaid enrollment and timely care utilization. In 2015, DOC introduced pre-release Medicaid enrollment assistance for all adults in state correctional facilities. Staff offer incarcerated individuals information about how to apply for Medicaid before their release, and offer a call with a case manager to support their application¹⁰. The implementation of pre-release Medicaid enrollment efforts was associated with significant positive outcomes:

- The percentage of adults enrolled in Medicaid within the month of release increased from 35% to 65%¹¹.
- Pre-release enrollment assistance was associated with a higher likelihood of individuals applying for Medicaid before their release date¹⁰.
- The likelihood of individuals with a history of substance use receiving outpatient care within 30 days of release increased 7.7%¹⁰.

⁸ Rep. Clint Moses, 2025. Testimony on AB 604 to the Assembly Committee on Mental Health and Substance Abuse Prevention. November 4, 2025. [ab0604_2025_11_04.pdf](#)

⁹ In Business Madison, 2024. Dane County Sheriff's Office announces 2023 growth of MAT program. [Dane County Sheriff's Office announces 2023 growth of MAT program](#).

¹⁰ Burns ME, Cook S, Brown LM, et al. Association Between Assistance With Medicaid Enrollment and Use of Health Care After Incarceration Among Adults With a History of Substance Use. *JAMA Netw Open*. 2022;5(1):e2142688. doi:10.1001/jamanetworkopen.2021.42688

¹¹ Burns ME, Cook ST, Brown L, Tyska S, Westergaard RP. Increasing Medicaid enrollment among formerly incarcerated adults. *Health Serv Res*. 2021;00:1–12. <https://doi.org/10.1111/1475-6773.13634>

- The likelihood of receiving MOUD increased by 0.4%¹⁰.

Policy & Systems Changes to Support Transitions

In addition to efforts described above to improve access to care pre- and post-release for incarcerated Medicaid members, Wisconsin Medicaid and DOC have previously partnered on systems efforts to improve transitions for these members. In 2020, Wisconsin Medicaid began suspending member benefits rather than terminating enrollment to help people access care as soon as possible following release from incarceration. DOC and Wisconsin Medicaid have developed data sharing pathways to support this policy shift, which will be valuable for future work under this demonstration.

Regulatory Landscape and Waiver Opportunity

The SUPPORT Act

The 2018 Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (“SUPPORT Act”) directed U.S. Health and Human Services (“HHS”) to explore opportunities to ease health care-related transitions for incarcerated individuals. To this end, CMS issued guidance for states regarding the Reentry 1115 waiver demonstration opportunity in a State Medicaid Director (SMD) Letter in 2023. At the time of this application, 18 states have received CMS approval to implement reentry waivers under this demonstration opportunity.

2023 Consolidated Appropriations Act

Section 5121 of the Consolidated Appropriations Act of 2023 (“2023 CAA”) created an avenue for Wisconsin Medicaid to engage more deeply in health care for certain incarcerated individuals in the pre- and post-release period. 2023 CAA lifts Medicaid payment exclusions for certain state plan services for eligible juveniles within 30 days of release, post-adjudication. It also modified the eligibility exclusions for incarcerated youth in the Children’s Health Insurance Program (“CHIP”).

Effective January 1, 2025, Wisconsin came into compliance with 2023 CAA requirements to begin providing limited pre- and post-release services to eligible incarcerated juveniles.

2023 CAA work expanded the availability of Medicaid services to incarcerated youth while laying the groundwork for forthcoming expansion under this demonstration, including:

- **Systems:** Wisconsin Medicaid created a new provider type of “Correctional Facility” and can reimburse claims for services in the carceral setting(s).
- **Relationships:** Wisconsin Medicaid has a solid, familiar, and collaborative relationship with the state’s DOC, Sheriff’s Association and related county jails, and state-run treatment facilities for those with criminal-justice involvement.

- **Lessons:** Wisconsin learned a variety of lessons that can inform future progress and improved approaches for this demonstration. For example, Wisconsin Medicaid encountered limited CAA participation from both smaller DOC-run facilities and county jails. Smaller DOC facilities declined to participate because their small populations limited the facilities' ability to expand capacity, such as billing Medicaid. For county jails, the primary limitation was the post-adjudication timeframe. Stays in county facilities are often short due to time served prior to adjudication of charges, making it difficult to provide CAA services.

Wisconsin State Legislation

On April 8, 2026, the Wisconsin Legislature passed 2025 Wisconsin Act 233 ("Act 233"), which directed Wisconsin Medicaid to submit a waiver request to CMS under the reentry demonstration opportunity. Act 233 provides authority, pending CMS waiver approval, for Wisconsin Medicaid to cover limited services during the 90-day pre-release period:

- Case management services,
- Medication-assisted treatment for all types of substance use disorders, and
- A 30-day supply of prescription medications upon release.

As directed, Wisconsin developed this application, to be submitted by January 1, 2027.

Demonstration Goals

Consistent with the goals outlined in the April 17, 2023 SMD Letter, Wisconsin Medicaid's goals with the Community Reentry demonstration are to:

1. **Increase coverage, continuity of coverage, and appropriate service uptake** through assessment of eligibility and availability of coverage for benefits in carceral settings just prior to release;
2. **Improve access to services** prior to release and improve transitions and continuity of care into the community upon release and during reentry;
3. **Improve coordination and communication** between correctional systems, Medicaid systems, managed care plans, and community-based providers;
4. **Increase investments in health care and related services** to improve the quality of care for members in carceral settings and the community and maximize successful reentry;
5. **Improve connections** between carceral settings and community services upon release to address physical health, behavioral health, and health-related social needs;
6. **Reduce all-cause deaths** in the near-term post-release; and

7. **Reduce number of emergency room visits and inpatient hospitalizations** among recently incarcerated Medicaid members through increased receipt of preventive and routine physical and behavioral health care.

Additionally, Wisconsin is seeking to implement pre-release services 90 days prior to release, instead of the minimum 30-day period outlined in the SMD Letter. The goal of this extension of the pre-release period is to build trusting relationships with case managers and enable thoughtful care planning that meets members' health care needs and health related social needs and supports successful implementation of the member's care plan.

Section 3. Waiver Demonstration Details

Facility Implementation

Wisconsin anticipates implementing this demonstration beginning 12 months following the date of waiver approval.

This demonstration opportunity will be available to the following facility types that demonstrate readiness: DOC adult facilities, DOC juvenile facilities, county-run jails and other facilities, tribal jails, and DHS-operated carceral facilities for individuals under DOC care but receiving mental health treatment. This demonstration excludes any federal prisons (or people serving federal sentences) within the state of Wisconsin.

To maximize access, Wisconsin Medicaid will prioritize implementation at DOC adult facilities first, given their higher levels of readiness and capacity. Wisconsin Medicaid will also work with DOC juvenile facilities and county-run facilities to build capacity for implementation. Initial work with county facilities will focus on assessing readiness and identifying capacity building opportunities. Lessons from implementation at DOC adult facilities will inform strategies for other facilities.

Any eligible facility must show readiness before participating in the demonstration. Wisconsin Medicaid will consult with carceral implementation partners to develop a tool and process for assessing facility readiness in alignment with CMS guidance. FFP will not be available on expenditures for services for members incarcerated in a facility before that facility demonstrates readiness through the assessment process.

Delivery System

Wisconsin will deliver all waiver services through the fee-for-service delivery system. Following release, members will be enrolled into managed care following normal Wisconsin Medicaid rules and processes.

A combination of carceral and Medicaid-enrolled community providers will deliver all waiver services as described in the following section.

Pre-Release Service Set

Case management services

Consistent with SMD 23-003, case management services will assess and address physical and behavioral health needs, and health related social needs, with activities including:

- Comprehensive assessment and periodic reassessment of individual needs, to determine the need for any medical, educational, social, or other services;
- Development (and periodic revision) of a specific care plan based on the information collected through the assessment;

- Referral and related activities (such as scheduling appointments for the individual) to help the individual obtain needed supportive and stabilizing services. This includes activities that link the individual with medical, social, and educational providers or other programs and services that are capable of providing services to address identified needs and achieve goals specified in the care plan; and
- Monitoring and follow-up activities, including activities and contacts that are necessary to ensure that the care plan is effectively implemented and adequately addresses the needs of the eligible individual. Monitoring and follow-up may occur with the individual, family members, service providers, or other entities and may be conducted as frequently as necessary.

Wisconsin Medicaid will procure and contract with a designated case management entity or entities. Case managers from these entities will provide required services to all individuals enrolled in the demonstration.

To ensure appropriate geographic coverage, Wisconsin Medicaid will procure services from case management entities who can support members state-wide. These entities will be procured based on appropriate regional knowledge and connections. Wisconsin also intends to procure services from Tribal entities, such as Tribal Federally Qualified Health Centers, that will be designated to provide culturally appropriate case management services to Tribal Members. Wisconsin Medicaid will emphasize administrative simplicity by minimizing the number of entities carceral facilities must partner with, while ensuring adequate coverage in each part of the state. Individuals receiving waiver services will be paired with a case manager based on the case manager's knowledge of the community in which the member will reside.

To the extent feasible, case managers will collaborate with staff from managed care plans selected by or assigned to the member, if this is known prior to release. The purpose of this collaboration is to ensure smooth transitions upon release, and to develop a care plan appropriate to the member's new provider network. Case management entities will be responsible for ensuring a warm handoff to managed care plan staff to support continued implementation of the person-centered care plan upon managed care enrollment.

Medication-assisted Treatment for Substance Use Disorders (MAT)

MAT includes medication in combination with counseling or behavioral therapies. MAT will be available through this demonstration for individuals with a diagnosis of any substance use disorder as clinically appropriate in the 90-day pre-release period. MAT can be provided through a combination carceral and community providers.

Prescription Medications

All members eligible for waiver services will receive a 30-day supply of all necessary covered prescription medications immediately upon release from a correctional facility, as clinically appropriate based on the medication and indication.

Eligibility Requirements

This demonstration proposal will provide limited Medicaid benefits during the 90-day period before an eligible individual's release from incarceration, post-adjudication of charges. For people whose release date is determined with less than a 90-day notice, services will begin as soon as feasible after the release date is known. Eligible individuals are adults and children who meet the following qualifying criteria:

1. Meet the definition of an inmate of a public institution, as specified in 42 CFR 435.1010, and be incarcerated in a state prison, local jail, tribal correctional facility, or youth correctional facility following adjudication of charges, and;
2. Be enrolled in or otherwise eligible to receive Medicaid or CHIP.

This demonstration will not restrict any existing Medicaid eligibility; rather, it will expand eligibility to include more people experiencing incarceration.

Cost-Sharing Requirements

This waiver will not impose new cost-sharing requirements. Individuals determined eligible for Medicaid will be subject upon release to the same cost sharing requirements authorized under Wisconsin's Medicaid State Plan.

Impact on Medicaid Program

Federal law prohibits the use of federal matching funds to pay for medical services to an individual who is "an inmate of a public institution (except as a patient in a medical institution)." The proposed demonstration will allow Wisconsin Medicaid to access federal funding to increase services provided to people experiencing incarceration by providing otherwise Medicaid-eligible individuals with the pre-release service set for up to 90 days prior to release, which they would otherwise not be eligible to receive.

Milestones and Strategies

Milestone 1: Increasing Coverage & Continuity of Coverage

Wisconsin Medicaid has previously implemented policies that support the demonstration goal of promoting continuity of coverage for incarcerated Medicaid members and Medicaid-eligible individuals. These existing policies support help to facilitate continuity and timely access to care aligned with Milestone 1 requirements, including:

- Suspending, not terminating, eligibility and benefits during incarceration.

- Assisting incarcerated individuals with applying for Medicaid.
- Assisting incarcerated members with renewals and redeterminations.
- Ensuring members are released from incarceration with needed documentation and information about how to use their Medicaid coverage.
- Allowing and assisting incarcerated individuals to access applications for Medicaid in other states.

Suspending Eligibility During Incarceration

In 2020, Wisconsin Medicaid began suspending member benefits rather than terminating eligibility to improve timely access to care post-release, driven by partner interest and the 2018 SUPPORT Act. This policy simplifies the pre-release processes to support enrolled Medicaid members who become incarcerated and individuals who apply for Medicaid during incarceration.

Medicaid Application and Renewal

Wisconsin Medicaid application and renewal policies minimize barriers to enrolling incarcerated individuals. Wisconsin Medicaid allows incarcerated individuals to apply using any application method available to them. Wisconsin Medicaid anticipates continuing to work with carceral partners to support incarcerated individuals with applications. This includes expanding existing support to apply for Medicaid in another state. Wisconsin Medicaid also follows standard renewal processes for incarcerated members. DOC carceral facilities have member coverage data to support the renewal process, and the state will explore expanding this model into other facilities.

Milestone 2: Covering and ensuring access to the minimum set of pre-release services

Wisconsin Medicaid and carceral facility partners share a growing infrastructure to support coverage of and access to the pre-release service set. Carceral facility partners will be primarily responsible for some Milestone 2 components:

- Member identification for pre-release services.
- Ensuring access to the minimum pre-release benefit package.

New designated care management entities will be responsible for the third Milestone 2 component. They will be expected to ensure resources and services in the care plan are appropriate for the communities into which members are released.

Member Identification

Over the past several years, Wisconsin Medicaid and DOC have developed a data sharing system to support timely identification of Medicaid members. This includes some data elements that will be essential for identifying members as soon as possible prior to the pre-release period. DOC shares a limited dataset with daily updates to the Wisconsin

Medicaid eligibility system to support member identification. This dataset will need to be further built out to include all applicable populations and member identification fields. Wisconsin Medicaid and DOC will expand this exchange to improve data sharing under the demonstration to enable timely pre-release services.

Case Management

Carceral facilities in Wisconsin vary in their capacity to provide the full set of pre-release waiver services to all Medicaid members. Release planning that occurs in Wisconsin carceral facilities varies based on facility type and capacity. Carceral facilities rely on staff and in-reach partners to engage members during the pre-release period for release planning. This release planning typically includes some focus on health care and health related social needs, but the approach and scope vary.

To best leverage the capacity of existing carceral providers and in-reach partners who support these functions, Wisconsin intends to supplement case management capacity with contracted case management entities. Carceral providers and partners can instead utilize their limited capacity to support applications for Medicaid and facilitate other in-reach services (e.g., in-person or telehealth visits with providers or social services).

Medication-Assisted Treatment for Substance Use Disorders (MAT)

Wisconsin made concerted efforts to expand access to MAT in carceral settings over the past several years. Wisconsin DOC and county-run carceral facilities provide some MAT services today; the scope and availability of these services depends on the facility. Provider capacity tends to be greater in DOC-run adult facilities than in juvenile and county-run facilities. MAT services are most readily available for individuals entering a carceral setting with active treatment, particularly MOUD treatment. Fewer facilities have the specialized provider knowledge and capacity to initiate treatment; others may lack provider capacity to provide counseling alongside medication treatment.

Wisconsin will continue to build on existing efforts to broaden access to the full range of MAT for all members with a SUD diagnosis. This includes expanding capacity to initiate MOUD for any type of SUD for which the FDA has approved a medication, and to begin counseling when a member is continuing medication as they enter the pre-release period. Wisconsin anticipates a combination of carceral and community providers will be needed to meet member need for MAT services in these carceral settings.

Prescription Medications for Release

All DOC facilities and some non-DOC facilities operate pharmacies that dispense medications to incarcerated individuals, but the infrastructure to support readiness for tracking and billing for Medicaid purposes is limited.

For individuals releasing from DOC facilities, DOC pharmacies provide a 30-day supply of most maintenance medications. Access is more variable among county facilities. Most carceral facilities in the state are not currently configured to bill Medicaid for prescription medications or other Medicaid-covered services under the new demonstration.

Wisconsin Medicaid will cover the cost of the 30-day supply of covered prescription medications upon release under the demonstration and will work with carceral partners to document plans to reinvest these savings.

Milestone 3: Promoting Continuity of Care

Wisconsin has some key components of the required infrastructure to promote continuity of care under this waiver demonstration. Other strategies will be implemented through contracting requirements with the designated case management entities who will be responsible for case management under the waiver. Case Management entities will help Wisconsin Medicaid comply with Milestone 3 components including:

- Developing required person-centered care plans for incarcerated individuals.
- Facilitating timely access to post-release care items and services identified through care planning.
- Coordinating connections with community providers and making warm handoffs.

Care Planning and Execution

Many incarcerated individuals receive some degree of care planning as part of the carceral facilities' release planning/discharge planning process. Identifying and addressing health care needs and health related social needs is typically one component of this process. The release planning process varies by facility: DOC facilities and some county facilities have employed staff, while other facilities contract with local health department staff and other in-reach partners.

To enhance existing provider capacity, Wisconsin Medicaid will contract with designated case management entities to provide case management services through the waiver. Contract requirements and procurement specifications will allow Wisconsin Medicaid to ensure compliance with components of Milestone 3, such as:

- Required components of care planning
- Expectations to ensure timely access to post-release services
- Coordination between pre-release providers and warm handoffs

Wisconsin carceral facilities have indicated that for logistical and security reasons, it is easier to manage facility access with a smaller number of case management entities. To minimize this administrative burden on carceral facilities, Wisconsin will prioritize

contracting with case management vendors that are able to provide services across broad geographic regions of the state.

Data Sharing

Case management entities will be responsible for all case management services while members are incarcerated and will be required to share this data with the state and members' managed care plans upon release. Existing managed care plan contract requirements support required data and health information sharing. Managed care plans will not be responsible for services to members under the demonstration, as members will not be enrolled in managed care plans until they are released from incarceration. Further managed care plan contract changes are not anticipated.

Milestone 4: Connecting to services available post-release to meet the needs of the reentering population

Wisconsin Medicaid has existing agreements with partners that can be expanded to ensure connections to care post-release and to monitor progress towards care plan goals.

Partnerships between Wisconsin Medicaid, DOC, managed care plans, and the External Quality Review Organization (EQRO) are important for Milestone 4 components, including:

- Monitoring members' care post-release to ensure care plans are executed timely.
- Monitoring and maintaining the care plan and ensuring ongoing case management post-release.
- Ensuring connections to services to support long-term services and support needs and health related social needs.
- Monitoring and ensuring case managers have adequate capacity to support members with high needs.

Care Plan Execution

Currently, managed care plans are responsible for care planning for some Medicaid members post-release. Long-term care managed care organizations are responsible for care planning for all members. Acute care managed care organizations are responsible for care planning if the member was incarcerated in the past 12 months. Under the waiver demonstration, case management entities and managed care plans will share the responsibility for monitoring care plans and ensuring timely connections to post-release services. Pre-release, contract requirements for case management entities will ensure care plans address health care, long-term care, and health related social needs. Case load limits will support appropriate capacity. Post-release, managed care plans will be responsible for overseeing care plans developed pre-release for members entering their care.

Monitoring

Wisconsin Medicaid's EQRO is responsible for some care management monitoring for a limited member population.

To ensure success with meeting Milestone 4, Wisconsin Medicaid will further define and clarify roles for care plan monitoring. Members will be enrolled post-release into managed care plans following normal Wisconsin Medicaid procedures. The EQRO can play an expanded role in supporting this monitoring post-release to ensure each involved entity is appropriately supporting successful implementation of care plans post-release.

Milestone 5: Ensuring Cross-System Collaboration

Wisconsin Medicaid will expand existing partnerships to lead successful engagement, coordination, and communication between implementation partners, including DOC and other carceral settings, case management entities, and providers of health care and other services. This cross-system collaboration will be critical for demonstration planning and implementation, ensuring Wisconsin can meet all milestone requirements as described above. This includes additional requirements under Milestone 5:

- Ensuring facility readiness to participate in the demonstration.
- Promoting awareness and understanding of the demonstration benefits to members and partners.
- Monitoring overall demonstration performance and outcomes.

Structures for Collaboration

Past efforts in partnership with DOC and other carceral partners, such as work on 2023 CAA, have established trusted relationships with key implementation partners for this demonstration. To establish cross-system collaboration for the waiver demonstration, Wisconsin Medicaid will expand existing channels of engagement. Throughout the 2023 CAA work, Wisconsin Medicaid led monthly meetings with carceral partners to share programmatic updates. This channel may be reoriented and expanded to support the demonstration. Wisconsin Medicaid also has bimonthly touchpoints with Tribal partners that occur through the Tribal Health Director's Association, when Wisconsin Medicaid provides regular updates and seeks feedback from Tribal partners.

Wisconsin anticipates developing structures that engage executive-level leaders and front-line staff regularly to support progress. Wisconsin Medicaid will also provide technical assistance and guidance to implementation partners. This is expected to include a variety of forums and materials to help prepare facilities for participation and disseminate lessons learned throughout early and ongoing implementation.

Facility Readiness

As required under Milestone 5, Wisconsin Medicaid will develop a tool and process for assessing facility readiness to participate in the demonstration. Wisconsin Medicaid will identify readiness criteria for facilities based on CMS demonstration milestones and other guidance. Wisconsin Medicaid will validate this proposed assessment tool and associated processes with carceral partners.

Awareness of Medicaid Coverage Under the Demonstration

Wisconsin Medicaid will employ a multi-channel, multi-audience communications approach to improve awareness and education about the waiver demonstration among incarcerated individuals, communities, and partners who may engage these members. Educational materials will be developed to reach a variety of primary and secondary audiences. Wisconsin Medicaid and DOC will partner to identify the most appropriate and helpful channels to share this information with each audience. Wisconsin Medicaid will rely on carceral facility partners, case managers, community health care and social service providers, and managed care plans to support dissemination of these materials.

Monitoring

Wisconsin Medicaid will continue to explore the most effective methods to track members post-release, building on existing data sharing infrastructure. To support monitoring, Wisconsin Medicaid will include readiness criteria for facilities and case management entity contract requirements to ensure smooth data sharing between implementation partners. Wisconsin Medicaid will also utilize the monitoring protocol and other tools developed by CMS to support demonstration monitoring.

Section 4. Proposed Waivers and Expenditure Authorities

Under the authority of Section 1115(a)(1) of the Social Security Act, Wisconsin Medicaid is requesting the following waivers to implement this demonstration request:

Table 2: Requested Waiver Authorities

Waiver Authority	Rationale
1902(a)(1) Statewide	To limit pre-release services to certain facilities during phased implementation beginning with adult DOC prisons.
1902(a)(23)(A) Freedom of Choice	To allow Wisconsin require members to receive pre-release services through certain providers.
Section 1902(1)(10)(B) Amount, Duration, and Scope and Comparability	To allow Wisconsin to provide a limited set of pre-release services, as described in this application, that is different from the services available to other members in the same eligibility groups.

Under the authority of Section 1115(a)(2) of the Social Security Act, Wisconsin Medicaid is requesting the following expenditure authorities:

Table 3: Requested Expenditure Authorities

Expenditure Authority	Rationale
Expenditures Related to Pre-Release Services	Expenditures for pre-release services rendered to eligible members up to 90 calendar days prior to their release, that comprises case management, MAT and a 30-day supply of medication upon release.
Expenditures Related to Reentry Implementation	Expenditure authority for administrative costs to support demonstration implementation capacity at the community level, including payments to qualified entities for infrastructure and capacity building, as well as for interventions and services that will enable implementation of the demonstration benefits.

Section 5. Reentry Implementation and Reinvestment Plans

Wisconsin Medicaid will be required to submit for CMS approval a Reentry Initiative Implementation Plan (Implementation Plan) and Reinvestment Plan documenting how the state will operationalize coverage and provision of pre-release services and how existing state funding for carceral health services will continue to support access to necessary care and achievement of positive health outcomes for the justice-involved population.

Implementation Plan

The Implementation Plan, to be submitted to and reviewed by CMS consistent with the STCs, will describe the milestones and associated actions being addressed under this demonstration and provide operational details regarding implementation of those demonstration policies. At a minimum, the Implementation Plan will include definitions and parameters related to the implementation of the reentry authorities, and describe the state's strategic approach for making significant improvements on the milestones and actions, as well as associated timelines for meeting them, for both program policy implementation and investments in transitional nonservice elements, as applicable. The Implementation Plan will also outline any potential operational challenges that the state anticipates and the state's intended approach to resolving these and other challenges the state may encounter in implementing the reentry demonstration initiative.

Reinvestment Plan

The reentry demonstration initiative is not intended to shift current carceral health care costs to the Medicaid program. Section 5032(b) of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT Act) (Pub. L. No. 115-271) makes clear that the purpose of the demonstration opportunity contemplated under that statute is "to improve care transitions for certain individuals who are soon-to-be former inmates of a public institution and who are otherwise eligible to receive medical assistance under title XIX."

Furthermore, demonstration projects under section 1115 of the Act must be likely to promote the objectives of title XIX, which includes the inmate payment exclusion and inmate eligibility exclusion, respectively, in recognition that the carceral authority generally bears the costs for health care furnished to incarcerated individuals. This demonstration does not absolve carceral authorities in Wisconsin of their constitutional obligation to ensure needed health care is furnished to inmates in their custody and is not intended as a means to transfer the financial burden of that obligation from a federal, state, or local carceral authority to the Medicaid program. Wisconsin agrees to reinvest the total amount of new federal matching funds for the reentry demonstration initiative received under this demonstration into activities and/or initiatives that increase access to or improve the

quality of health care services for individuals who are incarcerated (including individuals who are soon-to-be released) or were recently released from incarceration, or for physical and behavioral health needs that may help prevent or reduce the likelihood of criminal justice system involvement.

Consistent with this requirement, Wisconsin will develop and submit a Reinvestment Plan to CMS outlining how the federal matching funds under the demonstration will be reinvested. The Reinvestment Plan will align with the goals of the state's reentry demonstration initiative. It will describe how Wisconsin plans to increase access to or improve the quality of health care for the justice-involved population.

Section 6. Budget Neutrality

Federal policy requires Section 1115 demonstration waivers are budget neutral to the federal government. This means a demonstration should not cost the federal government more than what would have otherwise been spent absent the demonstration.

Demonstration of federal budget neutrality for a Section 1115 demonstration application must follow a unique process from federal and state budgeting and health plan rate setting. The processes, methods, and calculations required to demonstrate federal budget neutrality appropriately are for that express purpose only. Therefore, the budget neutrality model should not be construed as a substitute for budgeting and rate setting or imply any guarantee of any specific payment.

To ensure budget neutrality for each federal fiscal year for this extension, Wisconsin uses a per-member per month (PMPM) based methodology specific to the applicable Medicaid Eligibility Group (MEG) for this waiver population. The MEG is defined as individuals who are within 90 days of planned release from a state prison, local jail, tribal correctional facility, or youth correctional facility following adjudication of charges. The PMPM calculation has been established in the context of current federal and state law, and with the appropriate analytically sound baselines and adjustments. Budget neutrality submission is contingent on CMS approval. CMS establishes the trend rates and amounts at approval. The outcome of these calculations will be shared as an appendix with the CMS application and the final budget neutrality limits will be posted at approval.

Section 7. Implementation Funding

To best leverage existing infrastructure, partnerships, and policies, Wisconsin Medicaid anticipates requesting Federal Funding Participation (FFP) related to the Reentry Demonstration Initiative Planning and Implementation Program as described in CMS guidance and other states' demonstration STCs. Wisconsin Medicaid has identified a need for upfront and/or one-time, non-service costs to support demonstration implementation across a number of the categories CMS identified:

- Purchasing technology for Qualified Applicants to support Medicaid and CHIP enrollment, such as to improve data exchange between Wisconsin Medicaid, carceral partners, and CM entities.
- Adoption of certified electronic health record technology to support carceral partners in readiness to participate in the waiver demonstration.
- Purchase of billing systems to support carceral partners in readiness to participate in the waiver demonstration.
- Development of protocols and procedures, such as to support Wisconsin Medicaid in developing readiness assessment tools and processes and other technical assistance materials for implementation partners.
- Expenditures for hiring and training staff for implementing and maintaining new carceral facility data systems and telehealth capabilities.
- Expenditures for additional activities that will advance collaboration among Wisconsin's implementing partners. This may include conferences and meetings convened with the agencies, organizations, and other stakeholders involved in the initiative.
- Planning expenditures related to developing information sharing protocols to support Wisconsin Medicaid and implementation partners with identifying eligible individuals and monitoring implementation of the care plan pre- and post-release.
- Other activities to support an appropriate milieu for pre-release services, such as infrastructure to expand facilities' readiness to implement (e.g., Medicaid application and enrollment, face-to-face visits with external case managers, and telehealth capabilities).

Pending CMS approval of this waiver demonstration, Wisconsin Medicaid will work with CMS and state implementation partners to further develop this request. These investments will support and sustain a robust demonstration infrastructure to help achieve the waiver goals outlined in this application.

Section 8. Demonstration Hypotheses and Preliminary Evaluation Approach

Wisconsin Medicaid will work with the independent evaluator to design a robust evaluation plan to test hypotheses for the waiver demonstration. Following waiver approval, Wisconsin Medicaid and the independent evaluator will propose specific evaluation measures and methodologies aligned with state goals and CMS guidance for reentry waiver evaluation. Table 2 below presents hypotheses intended to provide a high-level framework for evaluation.

Table 4: Preliminary Evaluation Plan for Wisconsin Pre-Release Waiver Demonstration

Demonstration Goal	Hypothesis	Data Source(s)
Increase coverage, continuity of coverage, and appropriate service uptake through assessment of eligibility and availability of coverage for benefits in carceral settings just prior to release.	Better coordination and supports for enrolling justice-involved individuals re-entering the community into Medicaid will result in increased utilization of timely care post-release, including behavioral health and preventive visits.	• Correctional records • Medicaid claims data • Managed care plan data
Improve access to services prior to release and improve transitions and continuity of care into the community upon release and during reentry.	Access to pre-release services through case management will result in continuity of Medicaid coverage and utilization of targeted health services upon release to the community, resulting in improved short-term outcomes (e.g., reduced overdose rates).	• Correctional records • Medicaid claims data • Managed care plan data
Improve coordination and communication between correctional systems, Medicaid systems, managed care plans, and community-based providers.	Implementation of pre-release services will result in increased collaboration between stakeholders, identification of medical needs and health related social needs prior to release, gradual expansion of access to pre-release services for justice-involved individuals, and improved insights into	• Correctional records • Medicaid claims data • Managed care plan data • Qualitative: provider survey and/or interview findings

	healthcare delivery for this population.	
Reduce number of emergency room visits and inpatient hospitalizations among recently incarcerated Medicaid members through increased receipt of preventive and routine physical and behavioral health care.	Benefits provided through the demonstration will result in reduced avoidable hospitalizations and emergency room utilization.	• Correctional records • Medicaid claims data • Managed care plan data
Enable thoughtful care planning that meets members' health care needs and health related social needs by offering 90 days of pre-release services.	Providing an extended period of pre-release services, particularly case management, will keep members engaged in established care relationships and build trusting relationships between members and case managers, leading to better care plan execution.	• Member care plans • Medicaid claims data • Managed care plan data • Member enrollment data • Provider and member key informant interviews