



Date: August 19, 2019

DMS Operations Memo 19-28

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

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

From: Debbie Waite, Deputy Bureau Director
Bureau of Enrollment Policy and Systems
Division of Medicaid Services

Financial Eligibility Rule Changes for Tuberculosis-Related Medicaid

CROSS REFERENCE

- BadgerCare Plus Eligibility Handbook, [Section 2.3 Modified Adjusted Gross Income Test Group](#)
- Medicaid Eligibility Handbook, [Chapter 30 Tuberculosis](#)
- Process Help, [Section 9.2 TBMA \(Tuberculosis\) Manual Application Processing](#)
- 42 C.F.R. § 435.215
- Wis. Stat. § 49.46(1)(a)15

EFFECTIVE DATE

September 1, 2019

PURPOSE

This operations memo announces changes to financial eligibility policy for Tuberculosis (TB)-Related Medicaid. The asset test will be eliminated and modified adjusted gross income (MAGI) budgeting rules will be applied when determining income eligibility.

BACKGROUND

Prior to the changes announced in this memo, the financial eligibility rules for TB-Related Medicaid were the same as for Supplemental Security Income (SSI)-Related Medicaid with only the following differences:

- An individual gross income test was applied without any disregards (such as the \$20 general income disregard or the \$65 and ½ earned income disregard).
- Income eligibility was determined by counting only the applicant or member’s income, even if he or she is married and living with his or her spouse.

Medicaid regulations at 42 C.F.R. § 435.215 require Wisconsin to make the following changes to the financial eligibility rules for TB-Related Medicaid:

- Elimination of the asset test
- Use of MAGI budgeting rules rather than SSI-Related Medicaid budgeting rules for income

Nonfinancial requirements for TB-Related Medicaid will remain unchanged. See [Medicaid Eligibility Handbook, Section 30.1 Nonfinancial Requirements](#).

POLICY

The following policy changes are effective September 1, 2019.

ASSET POLICY FOR TB-RELATED MEDICAID

There will no longer be an asset limit for TB-Related Medicaid. People may be eligible for TB-Related Medicaid no matter how much they have in assets.

INCOME POLICY FOR TB-RELATED MEDICAID

BadgerCare Plus MAGI budgeting rules will be used when determining income eligibility for TB-Related Medicaid.

The monthly income limit of **\$1,627 for an individual** in 2019 will remain unchanged. Because MAGI rules specify that the income of a spouse living in the home must be considered when financial eligibility is determined, Wisconsin has established a monthly income limit of **\$2,399 for a married couple** for TB-Related Medicaid. This income limit will apply whenever MAGI rules require the spouse to be included in the MAGI test group, regardless of whether one or both spouses are applying for TB-Related Medicaid.

For children infected with TB, income must be budgeted using MAGI rules, the same way it is for children applying for BadgerCare Plus (see [BadgerCare Plus Eligibility Handbook, Section 2.3 Modified Adjusted Gross Income Test Group](#)). If the child is determined financially ineligible for BadgerCare Plus, the countable MAGI income for the child will be applied against the TB-Related Medicaid individual monthly income limit of \$1,627.

ONGOING CASES

For current TB-Related Medicaid members, financial eligibility does not have to be re-determined until the next reported change or next renewal, whichever comes first.

When re-determining eligibility for TB-Related Medicaid, agencies must also request the following information if it is not already known so that CARES can correctly determine the countable MAGI income:

- The member's tax filing status
- Members of the tax filing household
- Whether any children or tax dependents are expected to be required to file taxes for 2019 and, if so, their modified adjusted gross income

- Whether the member has any tax deductions allowed under MAGI rules

If the use of MAGI budgeting rules results in the termination of eligibility, the worker must send a manual [Notice of Denial of Benefits / Negative Change in Benefits, F-16001](#), which must include the failure reason, a budget showing the income and expenses used to determine eligibility, and the statute change for TB eligibility:

Your Medicaid/BadgerCare Plus benefits will be terminated effective _____ because:

The income we counted for your household is over the program limit. As of September 1, 2019, there was a change to how the TB-Related Medicaid program counts household income. We are now required to count income using certain federal income tax rules. Wis. Stat. § 49.46(1)(a)15.

PROCESS

Effective September 1, 2019, follow the instructions in [Process Help, Section 9.2 TBMA \(Tuberculosis\) Manual Application Processing](#) to determine the member's income under MAGI rules in CARES Worker Web, and manually apply the income limits outlined in the Policy section above.

CONTACTS

BEPS CARES Information and Problem Resolution Center

DHS/DMS/BEPS/JL