

Wisconsin BadgerCare Reform 1115 Waiver Demonstration
Section 1115 Quarterly Report

Section 1115 Quarterly Report Summary

Demonstration Year:
2 (1/1/2015 – 12/31/2015)
Federal Fiscal Quarter:
2 (7/1/2015 – 9/30/2015)

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Introduction

The Wisconsin BadgerCare Reform demonstration provides state plan benefits to childless adults who have family incomes up to 95 percent of the Federal Poverty Level (FPL) (effectively 100 percent of the FPL considering a disregard of 5 percent of income), and permits the state to charge premiums to adults who are only eligible for Medicaid through the Transitional Medical Assistance eligibility group (hereinafter referred to as “TMA Adults”) with incomes above 133 percent of the FPL starting from the first day of enrollment and to TMA Adults from 100-133 percent of the FPL after the first 6 calendar months of TMA coverage.

The demonstration will allow the state to provide health care coverage for the childless adult population at or below an effective income of 100 percent of the FPL with a focus on improving health outcomes, reducing unnecessary services, and improving the cost-effectiveness of Medicaid services. Additionally, the demonstration will enable the state to test the impact of providing TMA to individuals who are paying a premium that aligns with the insurance affordability program in the Marketplace based upon their household income when compared to the FPL.

The state’s goals for the program are to demonstrate whether the program will:

- Ensure every Wisconsin resident has access to affordable health insurance and reduce the state’s uninsured rate.
- Provide a standard set of comprehensive benefits for low income individuals that will lead to improved healthcare outcomes.
- Create a program that is sustainable so Wisconsin’s healthcare safety net is available to those who need it most.

The DHS has finalized an interagency agreement with the UW Population Health Institute (including the Scope of Work, Workplan, and Budget) for conducting the BadgerCare Reform Demonstration Evaluation. The DHS and UW will begin work starting on September 1, 2015.

Enrollment and Benefits Information

Childless Adults (Population Group 2) - In the third quarter of demonstration year 2 the number of unique program participants declined while total number of childless adults enrolled in the program for the quarter program increased. From the second quarter to the third quarter the total number of unique program participants decreased from 176,378 to 166,401, with a year to date total of 213,664. Total monthly enrollment increased from the second quarter to the third quarter with 148,945 childless adults in June 2015 and 149,291 childless adults in September 2015. Overall childless adult enrollment appears to be stabilizing in demonstration year 2.

Transitional Medical Assistance (TMA) Adults - In the third quarter of demonstration year 2 the number of unique program participants continued to increase as did the total number of TMA adults enrolled in the program. From the second quarter to the third quarter the total number of unique program participants increased from 22,292 to 26,291, with a year to date total of 43,385. Total monthly

enrollment also increased from the second quarter to the third quarter with 16,383 TMA adults in June 2015 and 18,355 TMA adults in September 2015.

The rate of disenrollment for the TMA Adult population 100% to 133% FPL was 5%, compared to 21% for the TMA Adult population over 133% FPL. We will attempt to learn more about the reasons behind the variances between the two populations through the formal evaluation that will be conducted during demonstration year 3.

The DHS has not identified any issues related to access to care or delivery of benefits given the current enrollment trends and will continue to monitor.

30054/30055 Quarterly CLA and TMA Waiver Report (Jul - Sep 2015)				
Enrollment Counts for Quarter and Year to Date				
Demonstration Populations	Total Number of Demonstration Participants Quarter Ending – 09/30/2015*	Current Enrollees (year to date)**	Disenrolled in Current Quarter	TMA Adults Disenrolled Due to Non-Payment of Premiums (current quarter)***
BC Reform Adults	166,401	213,664	23,109	N/A
TMA Adults – 100% to 133% FPL	17,173	27,410	2,713	833
TMA Adults – Over 133% FPL	9,118	15,975	3,286	1,938
*Reflects total unduplicated count of members enrolled during the demonstration quarter				
** Reflects total unduplicated count of members enrolled during the demonstration year.				
***Disenrollment does not reflect those who maintained eligibility after the closure month for any benefit plan				

Member Month Reporting				
Eligibility Group	Month 1 (July 2015)	Month 2 (August 2015)	Month 3 (September 2015)	Total for Quarter Ending 09/2015
BC Reform Adults	150,727	150,244	149,291	450,262
TMA Adults – 100% to 133% FPL	11,504	11,947	12,447	35,898
TMA Adults – Over 133% FPL	7,363	5,707	5,908	18,978

Outreach/Innovative Activities to Assure Access

All HMOs serving BadgerCare Plus members, which includes members of this demonstration waiver population, but are not limited to the demonstration population, are required to submit their member communication and outreach plans to the DHS for review. All materials are reviewed and approved by the DHS prior to distribution to members. Such materials include HMO-developed member handbooks, HMO-developed new member enrollment materials, and HMO-developed brochures.

The DHS also contracts with the City of Milwaukee Health Department to focus on outreach to current and prospective BadgerCare Plus members in Milwaukee County. As part of this agreement, staff is available at multiple locations throughout the county, including Milwaukee Health Department sites, in order to provide assistance with ACCESS applications and renewals, as well as with other enrollment and eligibility troubleshooting.

Collection and Verification of Encounter Data and Enrollment Data

Following is a summary of the quarterly managed care enrollment. Enrollment for the quarter shows approximately 85% of all childless adults enrolled in managed care which is comparable with managed care enrollment for other BadgerCare Plus populations.

BadgerCare Plus Childless Adult HMO Enrollment	Jul-15	Aug-15	Sep-15
Anthum Blue Cross Blue Shield	14,062	14,072	14,067
Childrens Community Health Plan	10,624	10,304	10,749
Compcare	3803	3806	3796
Dean Health Plan	4521	4573	4626
Group Health Eau Claire	6241	6378	6409
Group Health South Central	2406	2394	2322
Gundersen	2425	2465	2414
Health Tradition	1220	1220	1191
iCare	7043	7073	7058
Managed Health Services	9123	9174	9094
Mercy	2234	2287	2287
Molina	9282	9772	9771
Network	8986	9049	8939
Physicians Plus	2969	2961	2936
Security	8520	8666	8612
Trilogy	3502	3493	3499
UnitedHealthcare	28,833	28,969	28,802
Unity	1389	1369	1361
Total	127,183	128,025	127,933

Operational/Policy/Systems/Fiscal Developments/Issues

The state has not identified program developments/issues/problems that have occurred in the current quarter or are anticipated to occur in the near future that affect health care delivery, quality of care, approval and contracting with new plans, health plan contract compliance and financial performance relevant to the demonstration, fiscal issues, systems issues, and pertinent legislative or litigation activity.

Financial/Budget Neutrality Development/Issues

The state has not identified any significant developments/issues/problems with financial accounting, budget neutrality, and CMS 64 and budget neutrality reporting for the current quarter.

Please see Attachment A for a copy of the budget neutrality workbook.

The chart provides monthly and quarterly enrollment and expenditure data for the BadgerCare Plus Reform Adult Waiver since its inception in April 2014 through December 2015. This data is compared to the childless adult CORE baseline from April 2013 through March 2014 for budget neutrality purposes.

The data shows waiver enrollment increasing each month from April 2014 to March 2015. From April 2015 to December 2015 waiver enrollment decreases slightly as enrollment stabilizes. Fee-for-service (FFS) enrollment peaks in June 2014 and steadily declines each subsequent month through January 2015. From February 2015 to December 2015, FFS enrollment decreases slightly as enrollment stabilizes.

The monthly managed care enrollment growth rate peaked in October 2014, reflecting the systematic transition of enrollees from FFS to managed care through 2014 year end. Managed care enrollees continued to grow at a lesser rate through March 2015. From April 2015 to December 2015, managed care enrollees have decreased by about 10,000 members.

Since the waiver's April 2014 inception, per-member-per-month (PMPM) costs generally increased and reached a high of \$433.77 in July 2015. Since July 2015, PMPM costs appear to have stabilized. The quarter ending December 2015 PMPM cost remains lower than the childless adult CORE baseline PMPM cost for quarter ending March 2014. Given the current PMPM rates, no specific concerns exist related to budget neutrality.

Consumer Issues

Consumers have not reported any significant issues related to coverage and/or access to the program and benefits in the current quarter.

Quality Assurance/Monitoring Activity

The DHS consistently monitors activities using a systematic approach that ensures services for all BadgerCare Plus populations are reviewed for quality assurance. Following are the current activities for the second quarter of the demonstration completed by the External Quality Review Organization (EQRO) – MetaStar for the HMOs operating the BadgerCare+ program.

- Supported DHS in its review of accreditation and certification processes for HMOs.
- Validated 2014 Performance Improvement Project (PIPs) proposals for all HMOs but one (who received an extension).
- Conducted Certification reviews for assigned sections for all HMOs; held teleconference with contract monitor to deliver findings for one HMO.
- Performed data abstraction and delivered annual report for HBO initiative (medical home enrollees).
- Developed/reviewed SSI CMR materials and delivered to DHS for review and approval.

Managed Care Reporting Requirements

Starting April 1, 2014 childless adults were enrolled in BadgerCare Plus fee-for-service benefits. Starting in July 2014 the state began enrolling childless adults into managed care with an average of 20,000 members in each month until all new members have been enrolled in managed care as applicable. HMOs are required to report to the DHS on the status of quality initiatives, PIPs, and other programmatic requirements.

Demonstration Evaluation

On November 12, 2014, the Centers for Medicare and Medicaid Services (CMS) approved the Department of Health Services (DHS) evaluation plan. The DHS has incorporated the approved evaluation plan as Attachment C.

The DHS has signed an interagency agreement and contracted with the UW Population Health Institute to conduct the evaluation. DHS and the UW began work on the evaluation September 1, 2015. The UW's Scope of Work and Workplan are included as Attachment D.

State Contact(s)

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Attachment A – Budget Neutrality Monitoring Workbook

Childless Adults Draft Financial Statistics - Waiver Reporting for Quarter Ending Dec. 2015

Childless Adult Quarterly Comparison	Claim Expenditures (\$ in AF)	Prior Year QE Expenditures (\$ in AF)	Ave Monthly Enrollment	Prior Year QE Ave Monthly Enrollment	Ave Monthly PMPM	Prior Year QE Ave Monthly PMPM
QE June 2014	101,210,605	22,157,735	111,187	18,660	302.75	395.80
QE Sept. 2014	137,243,424	21,246,908	130,036	17,487	351.42	404.97
QE Dec. 2014	167,024,246	20,296,922	143,883	16,288	386.86	415.43
QE Mar. 2015	190,022,630	18,692,247	160,613	14,762	394.29	422.27

Adult Waiver Quarterly Trends	Claim Expenditures (\$ in AF)	Quarter-over-Quarter Percent Change	Ave Monthly Enrollment	Quarter-over-Quarter Percent Change	Ave Monthly PMPM	Quarter-over-Quarter Percent Change
QE June 2015	194,345,577	-	155,819	-	415.89	-
QE Sept. 2015	195,141,175	0.41%	150,702	-3.28%	431.63	3.78%
QE Dec. 2015	194,565,204	-0.30%	150,993	0.19%	429.53	-0.48%

CORE Baseline (Childless Adults)	Claim Expenditures (\$ in AF)	Fee for Service Enrollees	CAP Expenditures	CAP Members	Total Expenditures	Total Enrollees	Overall PMPM
Apr-13	2,624,273	2,383	4,956,173	16,741	7,580,446	19,124	396.38
May-13	2,582,125	2,333	4,832,357	16,330	7,414,482	18,663	397.28
Jun-13	2,409,378	2,203	4,753,430	15,989	7,162,808	18,192	393.73
Jul-13	2,553,051	1,926	4,721,124	15,922	7,274,175	17,848	407.56
Aug-13	2,395,752	1,832	4,671,819	15,674	7,067,571	17,506	403.72
Sep-13	2,359,752	1,836	4,545,410	15,272	6,905,162	17,108	403.62
Oct-13	2,568,860	1,898	4,411,923	14,809	6,980,783	16,707	417.84
Nov-13	2,222,150	1,657	4,372,572	14,633	6,594,722	16,290	404.83
Dec-13	2,444,132	1,579	4,277,285	14,288	6,721,417	15,867	423.61
Jan-14	2,372,043	1,519	4,069,353	13,844	6,441,396	15,363	419.28
Feb-14	2,153,802	1,403	3,929,873	13,330	6,083,675	14,733	412.93
Mar-14	2,373,347	1,360	3,793,829	12,830	6,167,176	14,190	434.61

BC Reform Adult Waiver (Childless Adults)	Claim Expenditures (\$ in AF)	Fee for Service Enrollees	CAP Expenditures	CAP Members	Total Expenditures	Total Enrollees	Overall PMPM
Apr-14	26,293,463	96,182	3,144,558	9,532	29,438,021	105,714	278.47
May-14	31,276,064	100,972	2,951,909	8,878	34,227,973	109,850	311.59
Jun-14	33,724,699	105,854	3,819,912	12,144	37,544,611	117,998	318.18
Jul-14	34,866,576	100,968	7,541,232	23,898	42,407,808	124,866	339.63
Aug-14	31,278,043	86,034	13,633,326	44,239	44,911,369	130,273	344.75
Sep-14	31,688,502	73,344	18,235,745	61,625	49,924,247	134,969	369.89
Oct-14	30,266,965	56,976	23,979,739	82,485	54,246,704	139,461	388.97
Nov-14	25,478,921	44,182	28,569,601	99,066	54,048,522	143,248	377.31
Dec-14	26,403,009	35,918	32,326,011	113,022	58,729,020	148,940	394.31
Jan-15	26,394,875	33,569	34,803,062	121,838	61,197,937	155,407	393.79
Feb-15	25,007,418	33,697	36,623,234	128,387	61,630,652	162,084	380.24
Mar-15	29,129,303	30,584	38,064,738	133,765	67,194,041	164,349	408.85
Apr-15	29,438,428	29,713	37,521,165	132,325	66,959,593	162,038	413.23
May-15	27,308,302	28,206	36,308,926	127,152	63,617,228	155,358	409.49
Jun-15	28,788,801	28,508	34,979,955	121,553	63,768,756	150,061	424.95
Jul-15	29,565,936	26,454	35,854,746	124,366	65,420,682	150,820	433.77
Aug-15	28,755,176	25,718	36,162,073	125,054	64,917,249	150,772	430.57
Sep-15	28,643,707	25,500	36,159,537	125,014	64,803,244	150,514	430.55
Oct-15	29,000,002	25,920	36,178,029	124,141	65,178,031	150,061	434.34
Nov-15	28,052,991	26,931	36,063,150	123,987	64,116,141	150,918	424.84
Dec-15	29,387,582	28,766	35,883,450	123,233	65,271,032	151,999	429.42

*MC Enrollees have some of their expenditures in FFS Claims as well: Wrap around, Pharmacy, etc.
 **FFS Claims are pulled on a date of service basis. PMPM comparisons may be skewed due to claims lag for months of October 2015 through December 2015
 *** Expenditures and enrollment may not tie to future quarterly reports as numbers will be adjusted to account for claims lag
 **** All data pulled on March 30, 2016 from DSS, not from MBES quarterly report

Attachment B – Summary of Cost-Sharing for TMA Adults Only

Individuals affected by, or eligible under, the demonstration with the co-payments below

TMA Adults (Demonstration Population 1)

Monthly Premium Amount Based on FPL Percentage	Monthly Premium Amount as Percentage of Income
100.01 – 132.99%	2.0%
133 – 139.99%	3.0%
140 – 149.99%	3.5%
150 – 159.99%	4.0%
160 – 169.99%	4.5%
170 – 179.99%	4.9%
180 – 189.99%	5.4%
190 – 199.99%	5.8%
200 – 209.99%	6.3%
210 – 219.99%	6.7%
220 – 229.99%	7.0%
230 – 339.99%	7.4%
240 – 249.99%	7.7%
250 – 259.99%	8.05%
260 – 269.99%	8.3%
270 – 279.99%	8.6%
280 – 289.99%	8.9%
290 – 299.99%	9.2%
300% and above	9.5%

Attachment C – Demonstration Evaluation Plan



WI BadgerCare Reform Final Approval



BadgerCare Reform Demonstration Evaluation Plan

Attachment D – BadgerCare Plus Reform Waiver Project Work Plan



BadgerCare Plus
Reform Waiver Project

Attachment E – University of Wisconsin Scope Work & Project Work Plan



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