

CENTERS FOR MEDICARE & MEDICAID SERVICES  
EXPENDITURE AUTHORITY

**NUMBER:** 11-W-00149/5  
**TITLE:** Wisconsin SeniorCare Section 1115 Demonstration  
**AWARDEE:** Wisconsin Department of Health Services

Under the authority of section 1115(a)(2) of the Social Security Act (the Act), expenditures made by the State for the items identified below, which are not otherwise included as expenditures under section 1903 of the Act shall, for the period of this Demonstration, be regarded as expenditures under the State's title XIX plan.

The following expenditure authority shall enable the State to operate its section 1115 Medicaid SeniorCare Demonstration.

**Demonstration-Eligible Population (“Aged Population”).** Expenditures for prescription drug costs for individuals age 65 or over with income at or below 200 percent of the Federal poverty level (FPL) who are enrolled in the demonstration and who are not receiving full Medicaid benefits under a group covered under the State plan.

All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly identified as not applicable in the list below, shall apply to the Demonstration Population beginning January 1, 2010, through December 31, 2012.

**Title XIX Requirements Not Applicable to the Demonstration-Eligible Population:**

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| <b>1. Notice and Appeals</b> | <b>Section 1902(a)(3), 42 CFR 431.211, 42 CFR 431.213, 42 CFR 431.206, and 42 CFR 431.220</b> |
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To the extent necessary to enable the State to not provide the 10-day required notification prior to termination of eligibility in cases where the demonstration enrollee has clearly notified the Department either orally or in writing that he or she no longer wishes to receive services. Also, to the extent necessary to enable the State to not provide the right to a hearing to Demonstration enrollees with respect to denials of claims for benefit payments during any period in which funding for benefit payments under the program has been completely expended.

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| <b>2. Eligibility Standards and Methodologies</b> | <b>Section 1902(a)(10)(A) and Section 1902(a)(17)</b> |
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To the extent necessary to enable the State to expand eligibility for coverage of pharmaceuticals to demonstration enrollees with incomes at or below 200 percent of the FPL

and to apply different financial eligibility standards and methodologies to the Demonstration-Eligible Population than would be applied to other Medicaid recipients. Eligibility will be re-determined and income will be reassessed for Demonstration enrollees once every 12 months.

**3. Amount, Duration, and Scope** **Section 1902(a)(10)(B)**

To the extent necessary to enable the State to offer a different benefit package to the Demonstration-Eligible Population that varies in amount, duration, and scope from the benefits offered under the State plan.

**4. Benefits** **Section 1902(a)(10)**

To the extent necessary to allow the State, during any period in which funding for benefit payments under the program is completely expended, to not pay pharmacies or pharmacists for prescription drugs sold to program participants. Further, to allow that pharmacies and pharmacists will not be required to sell drugs to Demonstration enrollees at the program payment rate; that Demonstration enrollees will not be entitled to obtain prescription drugs for the copayment amounts or at the program payment rate; that the State will not collect rebates from manufacturers for prescription drugs purchased by Demonstration enrollees; and that the State is required to continue to accept applications and determine eligibility for the program, and must indicate to applicants that the eligibility of Demonstration enrollees to purchase prescription drugs under the requirements of the program is conditioned on the availability of funding.

**5. Cost Sharing** **Section 1902(a)(14)**

To the extent necessary to enable the State to impose an annual enrollment fee of \$30; establish that certain Demonstration enrollees would pay the first \$500 of prescription drug costs prior to receiving the benefit of obtaining prescription drugs at the copayment levels; and establish copayment amounts that are above the limits in current Medicaid statutes for the Demonstration-Eligible Population.

**6. Ex Parte Eligibility Redetermination and Applicant's Choice of Category** **Section 1902(a)(19),  
42 CFR 435.902, 42 CFR 435.916,  
and 42 CFR 435.404**

To allow the State to require that a separate Demonstration application be filed by an applicant who is not eligible for regular Medicaid prior to being determined eligible for the Demonstration program; and to require Demonstration applicants to file separate Medicaid applications if they are interested in receiving benefits under any Medicaid eligibility group covered in the State plan.

**7. Retroactive Eligibility**

**Section 1902(a)(34) and  
42 CFR 435.914**

To the extent necessary to enable the State to not provide coverage for the Demonstration-Eligible Population for any or all of 3 months prior to the date of application. Demonstration enrollees may participate in the program on the first day of the first month following the month in which all eligibility criteria are met.

**8. Income and Eligibility Verification**

**Section 1902(a)(46), 42 CFR  
435.920, and 42 CFR 435.940  
through 435.965**

To the extent necessary to enable the State to use all other State and Federal data exchanges under section 1137 except the Internal Revenue Service's data exchange for income verification for the Demonstration-Eligible Population.