



Wisconsin
Department of Health Services

Medicaid Overview

Medicaid Advisory Committee (MAC)

February 24, 2021

MEDICAID OVERVIEW

What is Medicaid?



- Medicaid is the nation's public health insurance program for people with limited financial resources.
- Covers 1 in 5 low-income Americans.
- Covers a broad array of health services and limits enrollee out-of-pocket costs.
- Finances nearly a fifth of all personal health care spending in the U.S.
- Finances more than fifty-percent of long-term care expenses.

Medicaid is 56 years old!

- President Johnson signed amendments to the Social Security Act in 1965, creating Medicaid as public health care for the poor.



- In 1966, Wisconsin adopted the Medicaid program.

Medicaid vs. Medicare

Medicaid

- Designed for those with limited financial resources, including adults, parents, children, pregnant women, individuals with physical, intellectual or behavioral disabilities and those over age 65
- Eligibility requirements are set on a state-by-state basis (though there are mandatory groups)
- Pays for acute and primary care, but also pays for long term care

Medicare

- Not dependent on income
- Federal health insurance program for Americans above the age of 65
- Also available to younger people who have received Social Security disability benefits for two years or have certain conditions

Medicaid Facilitates Access to Care

- Medicaid beneficiaries:
 - Have better access to care than the uninsured, and
 - Are less likely to postpone or go without needed care due to cost.
- Medicaid eligibility during childhood is associated with:
 - Reduced teen mortality
 - Improved long-term educational attainment
 - Reduced disability
 - Lower rates of hospitalization and ED visits later in life.

Medicaid Serves Diverse Populations

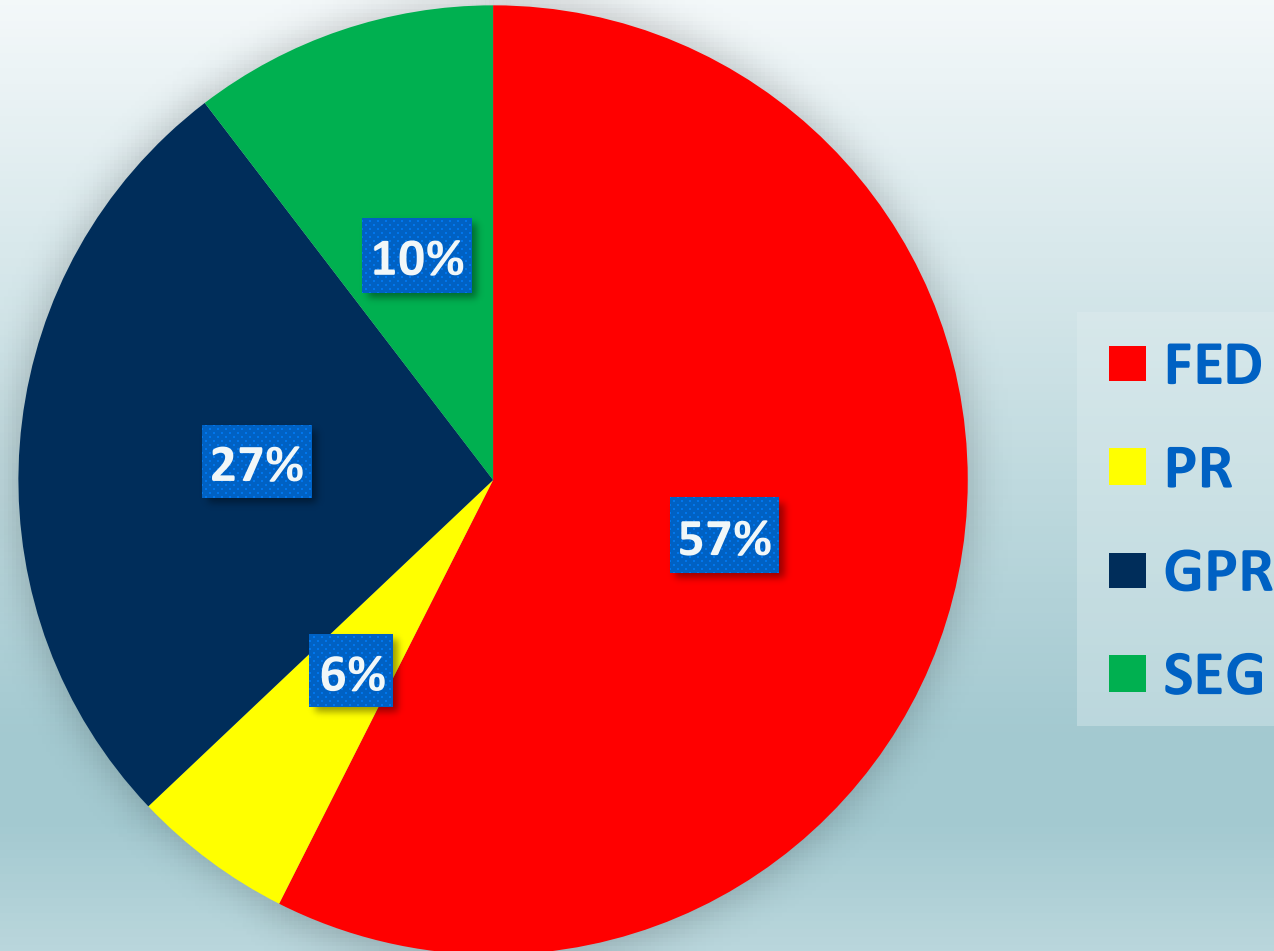
- As of September, 2020, 77.3 million low-income Americans were covered by Medicaid.
- Children account for more than four in 10 (43%) of all Medicaid enrollees.
- The elderly and people with disabilities account for about one in four enrollees.
- Medicaid covers nearly half of all births in a typical state.
- Medicaid covers more than six in ten nursing home residents.

Medicaid: A Federal/State Partnership

- States administer Medicaid Programs
- There are some mandatory obligations that the state has to fulfill concerning core populations and covered services.
- States do have flexibility to determine:
 - Covered populations beyond the core populations
 - Covered services, beyond the mandated services
 - Health care delivery models
 - Methods for paying physicians and hospitals



Percentage of Total Wisconsin Medicaid Spending by Funding Source, 2019-20



Medicaid Expenditures by Funding Source

	2015-16	2016-17	2017-18	2018-19	2019-20
GPR	\$2,639,662,200	\$2,655,880,600	\$2,911,926,800	\$2,994,609,100	\$2,840,883,900
FED	4,757,923,700	4,934,657,600	5,139,834,800	5,440,239,600	6,127,681,300
PR	690,577,400	973,822,800	876,508,000	1,070,023,500	1,104,533,600
SEG	594,961,600	619,955,400	517,811,700	611,669,100	586,637,500
Total	\$8,683,124,900	\$9,184,316,400	\$9,445,331,300	\$10,116,541,300	\$10,659,736,300

WISCONSIN MEDICAID PROGRAMS

Wisconsin Medicaid Programs

- There are many types of Medicaid programs in Wisconsin.
 - Each program has different rules, such as about age and income, that participants must meet to be eligible for the program.
- Children
 - Seniors
 - Adults
 - Pregnant Women
 - People with Disabilities

Medicaid Programs for Children

- BadgerCare Plus
- BadgerCare Plus Emergency Services
- Care4Kids Program
- Children Come First
- Children's Long-Term Support Waiver
- Family Planning Only Services
- Katie Beckett Program
- Wraparound Milwaukee

Medicaid Programs for Seniors

- Family Care
- Family Care Partnership Program
- IRIS (Include, Respect, I Self-Direct)
- PACE (Program of All-Inclusive Care for the Elderly)
- Supplemental Security Income (SSI)-Related Medicaid
- SeniorCare
- Qualified Disabled and Working Individual (QDWI) Program
- Qualified Medicare Beneficiary (QMB) Program
- Specified Low Income Beneficiary (SLMB) Program
- Specified Low Income Beneficiary Plus (SLMB+) Program

Medicaid Programs for Adults

- BadgerCare Plus
- BadgerCare Plus Emergency Services
- Family Care
- Family Care Partnership Program
- IRIS (Include, Respect, I Self-Direct)
- PACE (Program of All-Inclusive Care for the Elderly)
- Supplemental Security Income (SSI)-Related Medicaid
- Medicaid Purchase Plan
- Qualified Disabled and Working Individual (QDWI) Program
- Qualified Medicare Beneficiary (QMB) Program
- Specified Low Income Beneficiary (SLMB) Program
- Specified Low Income Beneficiary Plus (SLMB+) Program
- Wraparound Milwaukee
- Wisconsin Well Woman Medicaid

Medicaid Programs for Pregnant Women

- BadgerCare Plus
- BadgerCare Plus Emergency Services
- BadgerCare Plus Prenatal Plan

Medicaid Programs for People with Disabilities

- Children's Long-Term Support Waiver
- Family Care
- Family Care Partnership Program
- IRIS (Include, Respect, I Self-Direct)
- Katie Beckett Program
- Medicaid Purchase Plan
- Supplemental Security Income (SSI)-Related Medicaid
- Qualified Disabled and Working Individual (QDWI) Program
- Qualified Medicare Beneficiary (QMB) Program
- Specified Low Income Beneficiary (SLMB) Program
- Specified Low Income Beneficiary Plus (SLMB+) Program

MEDICAID SERVICES AND FINANCING

Long-Term Care

- Medicaid pays the cost of long-term care services for beneficiaries who meet criteria related to medical frailty and functionality with activities of daily living.
- These services include nursing home care, personal care, home health services, and various other supportive services.

Family Care

- Most long-term care services are delivered through the Family Care program.
- Managed Care Organizations (MCOs) evaluate the needs of enrolled members and arrange and pay for services.
- Services may include care provided in a nursing home or assisted living facility for some members, but may also involve various home-based supports.
- MA pays Family care MCOs a monthly capitation rate for each enrolled member, which the MCOs use to pay service providers.

Family Care Services & Expenditures 2019

Family Care Service	Expenditures in 2019 (\$ in Millions)
• Residential Care	• \$865.3
• Home Care	• 311.0
• Institutional Care	• 204.8
• Case Management	• 219.0
• Habilitation/Health	• 83.9
• Transportation	• 57.1
• Vocational	• 41.0
• Adaptive Equipment, DME, and DMS	• 34.9
• Home Health Care	• 17.3
• Adult Day Activities	• 13.3
• Financial Management	• 13.6
• Respite Care	• 8.4
• Other LTC Services	• 1.2
• Total	• \$1,870.8

Include, Respect, I Self-Respect (IRIS)

- The IRIS program is a self-directed alternative to Family Care through a fee-for-service system.
- Participants receive a service budget and select their own supportive services.
- As of September, 2020, DHS had contracts with seven ICAs and four fiscal employment agencies (FEAs), to administer the IRIS program.

IRIS Services & Expenditures 2019

IRIS Service	Expenditures in 2019 (\$ in Millions)
• Support Services	\$297.1
• Self-Directed Personal Care	130.3
• ICA Services	58.1
• Day Services	26.8
• FEA Services	23.6
• Residential Care	26.7
• Vocational	19.3
• Transportation	18.6
• Respite Care	17.1
• Aids, Equipment, and Supplies	4.2
• Daily Living Skills	2.5
• Treatment/Therapeutic Services	2.5
• Home Modifications	2.1
• Vehicle Modifications	1.4
• Customized Goods and Services	0.8
• Education/Training	0.2
• Total	631.3

PACE and Partnership

- In addition to Family Care and IRIS, the state offers two fully-integrated long-term care programs.
- PACE and Partnership are managed care programs.
- Provide both primary and acute health care and long-term care services.
- Participants include:
 - Elderly individuals and individuals with disabilities who need a nursing home level of care.

PACE & Partnership Services & Expenditures 2019

PACE & Partnership Service

Expenditures in 2019 (\$ in Millions)

Acute & Primary Care Services

PACE		\$28.2
Partnership		1.8
	Subtotal	\$30.0

Long-Term Care Services

PACE		\$133.2
Partnership		26.1
	Subtotal	\$159.3

Total **\$189.3**

Long-Term Care Expenditures 2019-20

Long-Term Care	(\$ in Millions)
Family Care and Similar Programs	\$2,194.6
Nursing Homes and Other Institutions	791.2
IRIS and Other Waiver Programs	800.1
Personal Care/Home Health	258.3
Subtotal	\$4,044.2

Managed Care for Medical Services

- Most medical services under Medicaid are provided on a managed care basis, through health maintenance organizations (HMOs).
- With a few exceptions, enrollment in an HMO is mandatory for BadgerCare Plus beneficiaries.
- In fiscal year 2019-20, approximately 90% of all BadgerCare Plus participants were enrolled in one of the 14 HMOs participating in the program.
- Similar to Family Care MCOs, HMOs receive a monthly capitation payment for each of their enrollees.
- The HMO contracts with providers to render medical services to individuals and to provide overall management of their care.
- Federal regulations require Medicaid capitation rates to be "actuarially sound."
- Capitation rates vary across the six DHS rate regions throughout the state.

SSI Managed Care for Medical Services

- HMO enrollment is also mandatory for individuals age 19 and over who are enrolled in EBD Medicaid and who are not also eligible for Medicare and are not participating in the medical assistance purchase plan (MAPP).
- Because most EBD individuals who are subject to this mandatory HMO enrollment requirement are eligible for MA based on SSI categorical eligibility, the service delivery program for these beneficiaries is typically called SSI managed care.
- In fiscal year 2019-20, 23% of EBD beneficiaries were enrolled in one of eight SSI HMOs.

Acute Care Services

- Inpatient and Outpatient Hospital Services
- Physician Services
- Prescription Drugs and Over-the-Counter Drugs
- Dental Services
- Vision Care Services
- Transportation
- Chiropractor Services
- Physical and Occupational Therapy
- Speech and Language Pathology Services
- Medical Supplies & Equipment
- Mental Health and Substance Abuse Services
- Case Management Services

Acute Care Services Cont'd

- Hospice Care
- Prenatal Care Coordination
- School-Based Medical Services
- Early and Periodic Screening, Diagnostic and Treatment Services (EPSDT)
- Home Health Services
- Personal Care Services
- Private Duty Nursing Services
- Certified Nurse-Midwife and Certified Professional Midwife Services
- Family Planning Services and Supplies

Managed Care for Medical Services Expenditures 2019-20

Managed Care for Medical Services	(\$ in Millions)
BadgerCare Plus Managed Care	\$1,630.3
SSI Managed Care	339.2
Subtotal	\$1,969.5

Fee-for-Service for Medical Services

- Beneficiaries who are not enrolled in an HMO receive medical services on a fee-for-service basis
- Medicaid pays providers directly upon receipt of a claim.
- Some services, such as prescription drugs, are excluded from the HMO contract, and are instead paid on a fee-for-service basis for both HMO members and non-member beneficiaries.

Fee-for-Service Expenditures 2019-20

Fee-for-Service	(\$ in Millions)
Hospitals (excluding Access Payments)	\$504.4
Hospital Access Payments and Supplements	893.4
Professional and Clinic Services	834.4
Subtotal	\$2,232.2

Prescription Drug Expenditures 2019-20

Prescription Drugs	(\$ in Millions)
Gross Drug Expenditures	\$1,355.1
Manufacturer Rebate Payments	-732.4
Subtotal	\$631.7

Other Program Costs/Cost Offsets

2019-20

Other Program Costs	(\$ in Millions)	
Medicare Cost Sharing	\$330.9	
Medicare Part D Clawback	234.3	
Transportation Services	103.2	
Specialized Services/Populations	76.0	
All Other	167.5	
	Subtotal	\$911.9
Cost Offsets	(\$ in Millions)	
Recoveries and Premiums	-\$56.6	

Total Wisconsin Medicaid Expenditures 2019-20

Total Wisconsin Medicaid Expenditures

(\$ in Millions)

Total	\$9,732.9
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PROGRAM PARTICIPATION

Medicaid Expenditures & Participation

	Expenditures (\$ in Millions)	Average Monthly Enrollment
2010-11	\$7,181.7	1,098,000
2011-12	6,597.2	1,112,700
2012-13	7,187.7	1,106,800
2013-14	8,070.1	1,103,100
2014-15	8,526.2	1,130,100
2015-16	8,683.1	1,127,700
2016-17	9,184.3	1,117,900
2017-18	9,445.3	1,113,200
2018-19	10,116.5	1,105,400
2019-20	10,659.7	1,123,000

BadgerCare Plus

Average Monthly Enrollment 2016-20

BadgerCare Plus	2016-17	2017-18	2018-19	2019-20
Children	466,576	461,916	455,135	458,233
Parents and Caretakers	169,917	162,758	157,613	163,907
Pregnant Women	20,759	20,561	20,148	19,754
Childless Adults	146,263	148,475	148,996	158,460
Total	803,515	793,709	781,892	800,353
% Change		-1.2%	-1.5%	2.4%

Elderly, Blind and Disabled (EBD)

Average Monthly Enrollment 2016-20

Elderly, Blind and Disabled (EBD)	2016-17	2017-18	2018-19	2019-20
Elderly (Disabled and Non-Disabled)	64,572	66,187	67,763	72,131
Disabled Non-Elderly Adults	137,975	139,146	139,000	140,935
Disabled Children	31,838	31,527	31,570	31,740
Total EBD	234,385	236,860	238,333	244,806
% Change		1.1%	0.6%	2.7%

Other Full Benefit Groups

Average Monthly Enrollment 2016-20

	2016-17	2017-18	2018-19	2019-20
Foster Children	19,620	20,325	20,700	20,940
Well Woman MA	592	570	537	499

Total Full Benefit Medicaid Average Monthly Enrollment 2016-20

	2016-17	2017-18	2018-19	2019-20
Total Full Benefit Medicaid	1,058,111	1,051,464	1,041,461	1,066,598
% Change		-0.6%	-1.0%	2.4%

Limited Benefit Groups

Average Monthly Enrollment 2016-20

	2016-17	2017-18	2018-19	2019-20
Family Planning Only Services	37,658	38,537	39,976	37,113
Medicare Cost Sharing Beneficiaries	22,101	23,345	23,920	19,706

Total Medicaid Average Monthly Enrollment 2016-20

	2016-17	2017-18	2018-19	2019-20
Total MA Enrollment	1,117,870	1,113,346	1,105,358	1,123,417
% Change		-0.4%	-0.7%	1.6%

COSTS PER ELIGIBILITY CATEGORY

Benefit Cost for Elderly, Blind, Disabled

Elderly, Blind, Disabled	Total Cost	Average per Member Cost
Elderly	\$2,158,694,900	\$29,927
Non-Elderly Adults	3,712,877,600	26,345
Disabled Children	662,095,200	20,931
EBD Total	\$6,533,667,700	\$26,701

Benefit Cost for BadgerCare Plus

BadgerCare Plus	Total Cost	Average per Member Cost
Children	\$1,043,668,300	\$2,278
Parents	728,722,200	4,775
Pregnant Women	252,245,100	12,770
Childless Adults	1,187,158,000	7,492
BadgerCare Plus Total	\$3,265,793,600	\$4,080

Benefit Cost for Other Groups

Other Groups	Total Cost	Average per Member Cost
Foster Children	\$171,721,600	\$8,201
Well Woman	10,071,100	20,196
Family Planning Only Waiver	18,470,400	498
Medicare Savings Programs for Dual Eligibles	41,069,600	2,084

ADMINISTRATION

Administrative Responsibilities

Medicaid Administrative Duties

- Fiscal management
- Eligibility determinations
- Fraud investigations
- Recovery of improper payments
- Claims processing
- Provider enrollment
- Rule development
- Production of various reports

Duties Carried Out By:

- Division of Medicaid Services (DMS)
- Division of Public Health (DPH)
- Office of Inspector General (OIG)
- Contracted private entities
- Tribes
- Income Maintenance (IM) Consortia
 - County staff on regional basis
 - State staff at MilES

Division of Medicaid Services (DMS)

- Administrator's Office (AO)
- Communications Section
- Eligibility & Enrollment
 - Bureau of Eligibility & Enrollment Policy
 - Bureau of Eligibility, Operations & Training
 - Disability Determination Bureau
 - Milwaukee Enrollment Services
- Benefits and Service Delivery
 - Bureau of Benefits Policy
 - Bureau of Clinical Policy & Pharmacy
 - Bureau of Children's Services
 - Bureau of Programs & Policy
 - Bureau of Quality & Oversight
- System, Fiscal & Operations
 - Bureau of Fiscal Accountability and Management
 - Bureau of Operations Management
 - Bureau of Rate Setting
 - Bureau of Systems Management

DMS Vision, Mission & Values

- **Vision**

- Innovative national leader that empowers people to realize their full potential.

- **Mission**

- Improving lives through high value programs and services that increase wellbeing and promote independence.

- **Values**

- Serve people through culturally competent practices and policies.
- Foster a supportive and trusting, team-oriented culture that recognizes excellence and provides opportunities for development.
- Build collaborative relationships with both internal and external stakeholders and partners.
- Encourage innovative, data-driven, and collaborative decision-making.
- Communicate respectfully and effectively.
- Accountable for high value service delivery and customer service.

Administration Budget

- In 2020-21, DHS expects to expend \$299.5 million (\$94.1 million GPR, \$202.1 million FED and \$3.3 million PR) for contracted administrative services for EBD Medicaid, BadgerCare Plus, Family Care, SeniorCare, FoodShare, and other related programs.

Questions?

Thank you!