

**WISCONSIN DEPARTMENT OF HEALTH SERVICES**  
**Division of Medicaid Services**  
**1 W. Wilson St.**  
**Madison WI 53703**

To: BadgerCare Plus Eligibility Handbook Users

From: Rebecca McAtee, Bureau Director  
Bureau of Enrollment Policy and Systems

Re: **BadgerCare Plus Eligibility Handbook Release 18-03**

Release Date: 12/14/2018

Effective Date: 12/14/2018

<b>EFFECTIVE DATE</b>	The following policy additions or changes are effective 12/14/2018 unless otherwise noted. Underlined text denotes new text. Text with a strike through it denotes deleted text.	
<b>POLICY UPDATES</b>		
2.8	Modified Adjusted Gross Income Counting Rules	Updated minimum taxable earned income that necessitates filing taxes to \$12,000 (effective October 1, 2018).
4.2.1	Covered Programs	Updated certain terms for current usage.
9.2	Application	Added a link to section 25.6 Filing Date. Clarified filing date information.
9.9.11	Gross vs Taxable Portion of Pension	New section (effective April 1, 2018).
16.2	Income Types Not Counted	Added to the list of payments that are not countable as income made to Native Americans.
16.5	Other Income	Updated the list of income sources.
17.2.2	Deductible Period	Updated example four.
17.6	Prepaying a Deductible	Clarified instructions for reporting receipt of payment in CARES.
18.4	Income Changes During the Extension	Updated example one.
19.11.2.2	RRP: Adults Age 19 and Older	Clarified description of eligibility reinstatement.
25.1	Application	Clarified description of rights for FPOS applicants younger than 18, and which documents those applicants receive (effective August 24, 2018).
25.5.1.1	Signatures from Representatives	Clarified who can sign an application on behalf of an applicant.
25.6	Filing Date	Added a link to Section 9.2 Application to clarify dates.
32.1.3.4	Automatic Extension	Updated period of automatic enrollment extension (effective September 24, 2016).
34.1	Authorized Representatives	Clarified the authority of a legal guardian to appoint an authorized representative and the ability of an authorized representative to self-remove.
40.5.1	Financial Eligibility Requirements Specific to FPOS	Clarified rules concerning backdated eligibility for FPOS (effective June 23, 2018).

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## 2.8 MODIFIED ADJUSTED GROSS INCOME COUNTING RULES

Within each *MAGI* assistance group, all counted and eligible individuals' countable income is budgeted with one exception: if a group member is a child or tax dependent of a counted or eligible member within the same assistance group, his or her income is only counted if he or she is "expected to be required" to file a tax return for the current year. If the tax dependent or child chooses to file a tax return when he or she is not required to, his or her income will not be counted. Tax dependents' and children's income is only counted when they are "expected to be required" to file a tax return.

**Note:** If a child or tax dependent is the only person in the MAGI group, he or she would not have a parent or tax filer eligible or counted in that group. As a result, his or her income will always be counted, regardless of whether or not she or he is expected to be required to file taxes. *NLRR* children are an example of children who are the only counted or eligible people in a MAGI group.

Tax dependents are only required to file a tax return if they have more income than the filing thresholds set by the *IRS* each year. If the child or tax dependent of another member in the same assistance group expects to have less annual taxable income than the amounts below, his or her income is not included in the eligible determination for the assistance group.

The following amounts are effective ~~October~~ January 1, 2018~~2017~~:

- \$1,050 per year in taxable unearned income\*
- ~~\$12,000~~ 6,350 per year in taxable earned income

\*For expected unearned income, do not count Child Support, Social Security, *SSI*, Workers' Compensation, Veteran's Benefits, money from another person, or educational aid.

These income counting rules apply regardless of whether the assistance group was formed based on MAGI Tax Filing Rules or MAGI Relationship Rules.

The income of household members who are currently out of the home due to military activity will still be counted according to MAGI rules, even though the person will not be eligible on the case.

**Example 1:** Jack and Jill are married and will be filing a joint tax return. They have two children, Mickey (16) and Minnie (12), whom they will claim as tax dependents. Minnie has no income, but Mickey works at McDonald's earning approximately \$100 per month. Mickey's annual earned income is expected to be \$1,200; he is not

expected to be required to file a tax return at the end of the year. Mickey's income is not counted.

**Example 2:** Daisy plans to file taxes this year. She has one tax dependent, her son Donald (16), who works part-time at a grocery store. He earns \$~~1,050~~550 per month; with an annual income of \$~~126~~,600. Based on this income, Donald will be expected to be required to file a tax return. Donald's income is counted.

**Example 3:** Kelly and Zack are non-married co-parents and have two children, Jessie (17) and Albert (14). Albert mows lawns in the summer and makes around \$300 for the year. The only other income in the household is Zack's unemployment payment in the amount of \$400 per month (\$4,800 per year). Kelly and Zack do not plan to file taxes. Albert is not expected to be required to file taxes. The assistance groups for this case will be based on non-MAGI relationship rules since there is no tax filer in the household. Zack's UI payment will be counted, but Albert's self-employment income is not counted because he is not expected to be required to file.

**Example 4:** Michael (16) and his sister Janet (17) live with their aunt Barb and her two children. Barb applies for BadgerCare Plus for herself, her two children and her niece and nephew. Barb states she plans to file taxes and will be claiming Michael, Janet, and her two children as tax dependents. Barb is self-employed earning about \$800 ~~per month~~/mo. Michael is working part-time at Dairy Queen earning approximately \$150 ~~per~~ /month. Michael is not expected to be required to file taxes. Janet works part-time at Copp's and makes \$600 ~~per month~~/mo. She will be expected to be required to file taxes.

#### Outcome for Barb

Barb's assistance group will consist of herself and all four children since she will be claiming them as tax dependents. Michael's income will not be counted in Barb's assistance group because he is not expected to be required to file taxes, but Janet's income will be counted in Barb's group because Janet is expected to be required to file taxes. Barb's children's assistance groups will be the same as Barb's assistance group.

#### Outcome for Michael and Janet

Michael and Janet will both have an assistance group of two (MAGL) since they are siblings being claimed as tax dependents by someone living in the home who is not their parent. Michael and Janet's groups are built using MAGI relationship rules. All of Michael's and Janet's earned income will be countable when determining their eligibility because they are not the children or tax dependents of someone in their

group.

**Example 5:** Joe is married to Deanna, and they have a son Beau who is three years old. They file taxes jointly and claim Beau as a dependent. Deanna and Joe are both working and will be required to file taxes. Deanna is also in the military. Joe applies for BadgerCare Plus for himself and Beau while Deanna is deployed overseas. Even though Deanna will not be eligible, she will be a counted adult, and her income will be counted in the BadgerCare Plus determinations for Joe and Beau.

## 4.2 DOCUMENTING CITIZENSHIP

### 4.2.1 Covered Programs

The citizenship and identity documentation requirement covers all non-exempt applicants and members of:

- BadgerCare Plus
- Medicaid
- Katie Beckett~~Becket~~

**Note:** Eligibility for Katie Beckett~~Becket~~ is determined by Division of Medicaid Services (DMS), Bureau of Children's Services (BCS)~~Long Term Care~~ staff; therefore, they will be ensuring citizenship and identity verification.

- Tuberculosis (TB)-related Medicaid
- Wisconsin Well Woman Medicaid

**Note:** TB and Wisconsin Well Woman Medicaid eligibility is not determined in CWW; therefore, it is important to ensure that citizenship and identity verification is done only once.

## 9.2 APPLICATION

The time period for processing an application for BadgerCare Plus is 30 days from the date the agency receives the application. For paper applications, this is the date a signed valid application is delivered to the agency or the next business day if it is delivered after the agency's regularly scheduled business hours. For phone applications, this is the date a valid signature is received by the agency. For electronic applications from ACCESS or the Marketplace, this is the next business day if the application is delivered after 4:30 p.m., on a weekend, or on a holiday.

Note: The date received may be different from the filing date. See Section 25.6 Filing Date for information on the filing date

Eligibility should not be denied for failure to provide the required verification until the later of:

- 10th day after requesting verification, or the
- 30th day after the application filing date.

Advise the applicant of the specific verification required. Give the applicant a minimum of 10 calendar days to provide any necessary verification.

If verification is requested more than ten days prior to the 30th day, the applicant must still be allowed 30 days from the application filing date to provide the required verification.

## 9.9 MANDATORY VERIFICATION ITEM

### 9.9.11 Gross vs Taxable Portion of Pension

If the gross amount of pension and annuity income has been verified, but the taxable amount has not, the gross amount must be used in the BadgerCare Plus or FPOS budget calculation. The individual's benefits will not be terminated or denied due to failure to verify the taxable amount. If neither the gross nor the taxable amount is verified, the individual's benefits will be terminated or denied due to lack of verification.

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## 16.2 INCOME TYPES NOT COUNTED

The following types of income are not included in the countable income when determining eligibility for BadgerCare Plus.

### 1. Adoption Assistance

### 2. Agent Orange Settlement Fund

Do not count payments received from the Agent Orange Settlement Fund or any other fund established in settling In Re "Agent Orange" Product Liability Litigation, M.D.L. No. 381 (E.D.N.Y.). This is retroactive to January 1, 1989. Do not count these payments for as long as they are identified separately.

### 3. Combat Pay

Do not count combat zone pay that goes to the household that is in excess of the military person's pre-deployment pay. The exclusion lasts while the military person is deployed to the combat area.

If the amount of military pay from the deployed absent family member is equal to or less than the amount the household was receiving prior to deployment, count all of the income to the household. Any portion of the military pay that exceeds the amount the household was receiving prior to deployment to a designated combat zone should not be counted when determining the household's income.

**Example 1:** John's wife Bonnie and their daughter have an open BadgerCare Plus case. John is in the military stationed overseas; his monthly income is \$1,000. John sends his wife \$1,000 every month.

When John is deployed to a combat zone his pay is increased to \$1,300 a month, which is deposited into a joint account. Because the \$300 is combat zone pay, it is not counted in the determination. The pre-combat pay of \$1,000 is budgeted as unearned income for BadgerCare Plus.

### 4. Other Military Pay

Do not count income received for the following purposes:

- Living allowances
  - Basic Allowance for Housing
  - Basic Allowance for Subsistence

- Housing and cost-of-living allowances abroad paid by the U.S. government or by a foreign government
- Overseas Housing Allowance
- Death allowances
- Family allowances
- Moving allowances
- Travel allowances
- Professional education allowances
- ROTC educational and subsistence closure benefit allowances
- Uniform allowances

**Note:** Military pay can be verified using the Leave and Earnings Statement received by active duty personnel.

### **5. Crime Victim Restitution Program**

Payments received from a state-established fund to aid victims of a crime.

### **6. Disaster and Emergency Assistance**

Payments made by federal, state, county, and local agencies and other disaster assistance organizations.

### **7. Income of People Younger than 18 Years Old**

See Section 2.8 Modified Adjusted Gross ~~Income~~ Income Counting Rules for information about counting income for people younger than 18 years old.

### **8. Foster Care**

### **9. Individual Development Account**

Payments that are made in the form of matching funds to buy a home, start a business, or to complete post-secondary education.

### **10. Jury Duty Payments**

Count all jury duty payments as earned income for the month in which it is received if the payments are not turned over to the individual's employer. Amounts received separately as reimbursements or allowances for travel to and from the courthouse, meals, and lodging during jury duty are not countable.

### **11. Kinship Care**

### **12. Life Insurance Policy Dividends**

### 13. Nutrition Benefits

Received from the following:

- Emergency Food and Shelter National Board.
- Federal Emergency Management Assistance.
- FoodShare allotment.
- Home produce for household consumption.
- National School Lunch Act.
- Supplemental food assistance under the Child Nutrition Act of 1966.
- Title VII, Nutrition Program for the Elderly, of the Older Americans Act of 1965.
- **USDA** Child Care Food Program.
- USDA-donated food and other emergency food.
- **WIC**—the supplemental food program for women, infants, and children.

### 14. Payments to Native Americans

- a. Distributions from Alaska Native Corporations and Settlement Trusts, including:
  - Menominee Indian Bond interest payments.
  - All judgment payments to tribes through the Indian Claims Commission or Court of Claims.
  - Payments under the Alaskan Native Claims Settlement Act.
  - Payments under the Maine Indian Claims Settlement Fund.
  - Payments under PL 93-124 to the Sisseton-Wahpeton Sioux Tribe, except under non-MAGI rules, individual shares over \$2,000.
  - Payments under PL 93-134 to the Maricopa Ak-Chin Indian Community, Navajo Tribe, Coast Indian Community of the Resighini Rancheria, Stillaguamish Tribe, Pueblo of Taos Tribe, Walker River Paiute Tribe, and White Earth Band of the Minnesota Chippewa Tribe, except under non-MAGI rules, individual shares over \$2,000.
  - Payments under PL 94-114 to the Bad River Band and Lac Courte Oreilles Band of Chippewa Indians and the Stockbridge Munsee Indian Community of Mohicans.
  - Payments under PL 96-318 to the Delaware Tribe of Kansas and of Idaho.
  - Payments under PL 96-420 to the Houlton Band of Muliseet Indians, the Passamoquoddy, and Penobscot.
  - For EBD Medicaid cases, under PL 98-64, disregard all Indian judgment funds held in trust by the Secretary of the Interior for an Indian tribe and distributed on an individual basis to members of the tribe. Also disregard interest and investment income from these funds.
  - Payments under PL 99-346, Saginaw Chippewa Indian Tribe of Michigan.
  - Payments under PL 99-377 to the Mille Lacs, Leech Lake, and White Earth, Minnesota reservations.
  - Payments under PL 101-41, Puyallup Tribe of Indians Settlement Act of 1989.

- Payments under the Distribution of Judgment Funds Act of 1987 to the Cow Creek Band, Umpqua Tribe.
  - Payments under the Distribution of Indian Judgment to the Crow Creek and Lower Brule Sioux except individual shares over \$2,000. Payments under the settlement of the Cobell v. Salazar class-action trust case.
- b. Other Exempt Tribal Payments
- Disregard non-gaming tribal income from the following sources:
- Distributions and payments from rents, leases, rights of way, royalties, usage rights, or natural resource extraction and harvest from:
    - Rights of ownership or possession in any lands held in trust, subject to federal restrictions, located within the most recent boundaries of a prior federal reservation, or otherwise under the supervision of the Secretary of the Interior; or
    - Federally-protected rights regarding off-reservation hunting, fishing, gathering, or usage of natural resources
  - Distributions resulting from real property ownership interests related to natural resources and improvements:
    - Located on or near a reservation or within the most recent boundaries of a prior federal reservation; or
    - Resulting from the exercise of federally-protected rights relating to such real property ownership interests
- c. Payments to tribal members from gaming revenue: All of the income from Tribal Per Capita payments from gaming revenue are counted income.
- d. Tribal general welfare payment received under the Tribal General Welfare Exclusion Act. (Note: This exemption applies only to MAGI budgeting rules.)

## 16.5 OTHER INCOME

Other income is any payment that a member receives from sources other than employment that are counted as taxable income. Count the gross payment in the person's income total.

### 1. Unemployment Compensation

Count unemployment compensation income, including the amount of unemployment compensation that is intercepted to collect child support.

### 2. Spousal Support

Spousal support payments are countable income unless they are non-taxable. If non-taxable, these payments are not counted.

### 3. Family Support

If a household is receiving family support, divide the payment by the number of members in the household. The amount of the payment allocated to the child(ren) is considered child support and is disregarded. Count the amount of the payment allocated to the adult(s) as alimony or spousal support unless the divorce or separation order by the court designates the spousal support payments as being non-taxable.

### 4. Social Security Benefits

Although Social Security benefits are not taxable, they must be counted as unearned income. Count Social Security benefits as unearned income in the month received.

The following is a list of some of the codes that should be used in coding Social Security income types:

- SSDC - Social Security Disabled Child
- SSDI - Social Security Disability/Wage Earner
- SSDW - Social Security Disability/Wife
- SSRE - Social Security Retirement
- SSSC - Social Security Surviving Child
- SSSS - Social Security Surviving Spouse
- SSWW - Social Security Disabled Widow(er)

**Note:** Social Security benefits are not considered when determining if a person is "expected to be required" to file a tax return for the current year (see Section 2.8 MAGI Income Counting Rules).

## 5. Income From a Bequest, Devise, or Inheritance

Count income from a bequest, devise, or inheritance in the month it is received.

## 6. Income Generated From Property Given to a Trust

Count income generated from property given to a trust if the income is paid, credited, or distributed to the person.

**Example 1:** Keisha is the beneficiary of a trust. Land was given to the trust, and it generates interest that is distributed to Keisha as the beneficiary. Count the interest as unearned income, but do not count the value of the land or the trust.

## 7. Land Contract

Count only the portion of monthly payments received that are considered interest from a land contract as unearned income. Deduct from the gross countable interest any expenses the person is required to pay by the terms of the contract. Do not count the principal as income (because it is the conversion of one asset form to another).

If the income is received monthly, budget it monthly. If the income is received less often than monthly, prorate the income to a monthly amount. Do not begin budgeting this monthly amount until the person first receives a payment after becoming eligible.

**Example 2:** Bob receives land contract payments from Farmer Brown twice a year: one \$~~5000~~~~500~~ payment in March and another \$~~5000~~~~500~~ payment in September.  
Ten percent of that payment is interest

When Bob applies for BadgerCare Plus in February, prorate the interest portion of the land contract payments Bob receives after he becomes eligible. In March, when Bob receives a \$~~5000~~~~500~~ land contract payment, divide the total countable income (\$5000 multiplied by 10 percent equals \$500 of countable interest income~~500~~) by the frequency of the payments (six months) to get the budgeted income amount of \$83.33 per month. Begin budgeting this amount in March.

## 8. Loans

If a BadgerCare Plus applicant or member makes a loan (except a land contract), count only the portion of the repayment to that applicant or member that is interest. Count the interest as income in the month received.

## 9. Profit Sharing

Count profit sharing income as unearned income in the month received. Tax-deferred contributions made to a profit-sharing plan are not taxable and are not counted as income.

### **10. Retirement Benefits**

Retirement benefits include work-related plans for providing income when employment ends (e.g., pension disability or retirement plans administered by an employer or union).

Other examples of retirement funds include accounts owned by the individual, such as *IRAs* and plans for self-employed individuals, sometimes referred to as KEOGH plans.

Count the taxable portion of any retirement distribution as income.

### **11. Sick Benefits**

Count sick benefits received from an insurance policy if the person's employer contributed or paid for the benefit. Do not count the following:

- Reimbursement for medical care
- Payments for loss of a member or bodily function or permanent disfigurement
- Amounts computed with reference to the injury but not with respect to the person's absence from work

### **12. Trusts**

A trust is any arrangement in which a person (the "grantor") transfers property to another person with the intention that that person (the "trustee") hold, manage, or administer the property for the benefit of the grantor or of someone designated by the grantor (the "beneficiary").

The term "trust" includes any legal instrument or device or arrangement which, even though not called a trust under state law, has the same attributes as a trust. That is, the grantor transfers property to the trustee, and the grantor's intention is that the trustee holds, manages, or administers the property for the benefit of the grantor or of the beneficiary.

The grantor can be:

- The BadgerCare Plus member.
- The spouse of the BadgerCare Plus member.
- A person, including a court or administrative body, with legal authority to act in place of or on behalf of the member or the member's spouse. This includes a power of attorney or guardian.

- A person, including a court or an administrative body, acting at the direction or upon the request of the member or the member's spouse. This includes relatives, friends, volunteers, or authorized representatives.

All regular payments, including dividends and interest, made under the terms of the trust from a trust to the beneficiary are unearned income to the beneficiary. Dividends and interest income are counted even if they are tax exempt.

### **13. Gambling Winnings**

Count gambling winnings that are regular and predictable as income. Gambling losses cannot be used to offset other types of income.

### **14. Royalties**

See Section 16.4.3 Self-Employment Income.

### **15. Capital and Ordinary Gains and Losses**

Capital gains are profits from the sale of assets as bonds or real estate. If personal capital gains are regular and predictable, count as unearned income. Personal capital losses can be used to offset the person's other income types. In situations where a person is planning to file a joint tax return with his or her spouse, personal capital losses may offset the spouse's income.

### **16. Student Financial Aids**

Work study income and any income from an internship or assistantship should be counted as earned income.

Grants, scholarships, fellowships, and any additional financial assistance provided by public or private organizations that exceed the cost of tuition, books, and mandatory fees are counted as unearned income and should be prorated over the period of time they are intended to cover.

Types of grants, scholarships, and fellowships counted as income include the following:

- Pell Grants
- Robert Byrd Honors scholarships
- Any grants, scholarships, or fellowships received from the college or university as part of a financial aid package
- Any grants, scholarships, or fellowships provided by public or private organizations



The following expense types can be used to offset income from grants, scholarships, fellowships, and other financial aid:

- Tuition
- Required books, supplies, or equipment
- Mandatory fees

The following expense types are not allowed to offset income from grants, scholarships, or other financial aid:

- Room,
- Board (meals or meal plans)
- Personal expenses
- Transportation and parking
- Loan fees
- Health insurance costs

**Example 3:** Mary was awarded a scholarship for \$3,500 in July that is intended to cover her fall semester (September through December). Her tuition and course-related expenses are \$3,250 for the semester. The \$250 that exceeds the amount of tuition and course-related expenses will be prorated over the four-month period from September through December at \$62.50 in unearned income each month ( $\$250/4 \text{ months} = \$62.50/\text{month}$ ).

The following educational aid types are not counted as income and cannot be considered when determining if grants, scholarships, and fellowships exceed the cost of tuition, books, and mandatory fees:

- Loans, including Stafford Loans and Perkins Loans (Student loans are not counted as income irrespective of what the loan is used to pay for.)
- AmeriCorps or HealthCorps grant
- Bureau of Indian Affairs grant
- GI Bill/Veterans benefits
- ROTC benefits

**Note:** When an applicant or member is enrolled in job-related classes or training and the tuition is reimbursed by the applicant's or member's employer, this may be considered reimbursement for job- or training-related expenses (as defined in Section 16.2 Income Types Not Counted). As long as the reimbursement is not more than the cost of the class or training, it does not need to be budgeted as educational aid.

## 17. Jury Duty Payments

Count all jury duty payments as earned income for the month in which they are received if the payments are not turned over to the person's employer. Amounts received separately as reimbursements or allowances for travel to and from the courthouse, meals, and lodging during jury duty are not countable.

### **18. Interest and Dividend Income**

Interest and dividend income is counted as unearned income.

### **19. Lump Sums Payments**

Count lump sum payments (if the payment is otherwise a countable income type) in the month received. Lump sum payments are not counted outside the month received.

### **20. Reimbursements for normal household living expenses are counted as income**

Examples of reimbursements that are counted as income:

- Rent
- Clothing
- Food eaten at home

For examples of reimbursements that are not counted as income, see Section 16.2 Income Types Not Counted #19 Reimbursements.

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## 17.2 PREGNANT WOMEN

### 17.2.2 Deductible Period

The pregnant woman can choose to begin the BadgerCare Plus deductible period as early as three months prior to the month of *application* , and as late as the month of application.

A pregnant woman can choose a BadgerCare Plus deductible period which includes a month in which, if he or she had applied, he or she would have been ineligible for a non-financial reason. Although excess income is still calculated over a six month period, the individual can only be certified for BadgerCare Plus during the dates when he or she was non-financially eligible.

**Example 2:** Luanne applied for BadgerCare Plus on June 1st and requests a BadgerCare Plus deductible period from April through September. She gave birth on June 2nd and gave the baby up for adoption. Luanne paid the full deductible amount, so is certified from April 1st through June 30th.

A new deductible period can be established at any time before the current deductible has been met.

**Example 3:** Julie is pregnant and due November 15. She applied for BadgerCare Plus April 1 and a deductible period was set up for April through September. She did not incur enough expenses to meet the deductible. In July, Julie's income decreased and she requested a new deductible period from July through November. Because she had not met the original deductible, the new deductible period could be established.

A pregnant woman who is ineligible due to excess income in some backdated months, but has no excess income in others, does not have to choose to have a BadgerCare Plus deductible. She can choose to be certified in the months she is eligible and to accept the ineligibility of the other months when she had excess income.

**Example 4:** Rachel is pregnant and applied for BadgerCare Plus in July. She had no income and did not expect any income in the future. She was eligible in July. She also requested BadgerCare Plus eligibility for April to cover some medical expenses she had in April. In April and May, she had income in excess of 300 percent of the FPL. In June, she would have been eligible because she had no income.

In April and May, her income was over 300 percent of the FPL by \$200 a month. She has two choices:

1. Choose a BadgerCare Plus deductible period of April through September. After meeting the BadgerCare Plus deductible of \$400, she would be certified for BadgerCare Plus from April through September or 60 days past the birth of her baby, with no premium.
2. Not choose a BadgerCare Plus deductible period. She would not have to meet a BadgerCare Plus deductible. She could be certified immediately for June through 60 days past the birth of her baby but would have to forego BadgerCare Plus for AprilMay and MayJune because of the excess income in AprilMay and MayJune.

## 17.6 PREPAYING A DEDUCTIBLE

Anyone can prepay a BadgerCare Plus *deductible* for him or herself or for someone else. It can be paid in installments or all at once. A prepaid deductible may be refunded if the member requests a refund of the prepayment prior to the begin date of the corresponding deductible period.

Instruct the member to make the payment payable to the local Income Maintenance Agency. Report the receipt on the Community Aids Reporting System (CARS) labeled as a Medical Refund ~~on Line 909~~.

With the payment, include:

1. Documentation that the payment is voluntary.
2. The member's name and BadgerCare Plus ID number.

### 17.6.1 Insufficient Funds

If the deductible is paid with a check that is returned for insufficient funds, discontinue the person's eligibility, determine if an overpayment occurred and if so, establish a claim for benefit recovery.

### 17.6.2 Payment of Entire Deductible Amount

If the entire deductible amount is paid at any point during the deductible period, eligibility begins on the first date of the deductible period.

**Example 1:** Laura's deductible period is from March 1st through August 31st. The total deductible amount is \$1,000. Laura submits payment of \$1,000 on August 15th. Laura's BadgerCare Plus eligibility begins on March 1st.

### 17.6.3 Combination of Payment and Incurred Expenses

If the deductible is met through a combination of payment and incurred medical expenses, count the incurred medical expenses first. Eligibility, by paying the remaining deductible amount, can begin no earlier than the last date of incurred medical expense within the deductible period.

**Example 2:** Gloria's deductible period is from March 1st through August 31st. The total BadgerCare Plus deductible amount is \$1,800. Gloria submits a medical bill with a March 8th date of service for \$800. On July 15th, she submits payment of

\$1,000. Gloria's BadgerCare Plus eligibility begins March 8th. A BadgerCare Plus Remaining Deductible Update (F-10109) must be submitted to identify the provider of service on March 8th and the \$800 member share amount.

### 17.6.4 Combination of Payment and Outstanding Expenses

If the deductible is met through a combination of payment and outstanding medical expenses (incurred prior to the beginning of the deductible period), eligibility begins on the first date of the deductible period.

**Example 3:** Roberta's deductible period is from March 1st through August 31st. The total BadgerCare Plus deductible amount is \$1,500. She submits an outstanding bill from January 10th for \$500. On August 15th, she submits payment of \$1,000. Roberta's BadgerCare Plus eligibility begins March 1st

Enter the first date of the deductible period on AGTM as the date the payment was received.

### 17.6.5 Calculation Errors

If any portion of the deductible is paid and you find the amount was wrong due to agency error, refund the paid amount that was incorrect and report the refund on CARS. If the error was caused by an *applicant* /member error, see [Section 28.2 Recoverable Overpayments](#) for determining the overpayment amount.

## 18.4 INCOME CHANGES DURING THE EXTENSION

During an extension, a group or individual's income may decrease to an amount at or below 100% FPL for the group size and then increase again to exceed the 100% FPL. When the income decreases, the individual will be removed from the extension and placed in regular BadgerCare Plus. The remaining months of the extension will continue to run in the background. If the individual's countable income again increases above the 100% FPL, he or she would be eligible under the previous extension for any remaining months. If the individual is eligible for a new extension when the income again increases, because he or she meets all of the criteria above, choose the extension which gives the longest coverage, and cancel the other.

**Example 1:** A BadgerCare Plus group with a 12-month extension from January through December has a decrease in income in February that puts them back below 100% FPL. The extension continues to run while the group is on regular BadgerCare Plus. In October the group's countable income again increases to above 100% FPL, this time due to an increase in spousal support~~Child Support~~ income. They are now eligible for a four-month spousal~~child~~ support extension, which would run from November through February. Since the four month extension would be longer than the current extension, apply the new four-month extension.

## 19.11 BADGERCARE PLUS RESTRICTIVE RE-ENROLLMENT PERIOD

### 19.11.2.2 Adults Age 19 and Older

RRPs are set for three months.

An adult must only pay a premium for BadgerCare Plus if he or she is in an extension. An adult can become eligible for the remainder of the extension again at any time during the three month RRP if he or she pays all owed premiums. The adult's eligibility will be restored back to the beginning of the RRP. If the individual serves the full three month penalty period, he or she can become eligible for the remainder of the extension (without paying any owed premiums) if he or she requests to re-enroll for the remainder of his or her extension and if he or she continues to meet the program eligibility criteria.

After the RRP has been served, eligibility can be reinstated as of any month after the end of the RRP until the end of the extension. For example, if an RRP ends June 30 for an extension that runs through December, a member could request in November to be reinstated starting July 1 and ~~However, members must~~ pay allowed premiums for allany months from July through November. However, it is not allowable to reinstate of coverage, and the member's months of eligibility must be consecutive. So using the same example, the member could not request to be reinstated for July, September, October and November without also reinstating eligibility for, but not August and paying all corresponding premiums.

**Example 5:** Joyce (age 29) is an adult in an extension. She fails to pay the June premium, so she is in a 3 month RRP for July, August and September. In August, Joyce pays her owed premiums for June, July and August. Joyce's eligibility is restored back to the beginning of the RRP.

**Example 6:** Tina (age 45) did not pay the September premium while in an extension. Tina will be in a 3 month RRP for October, November and December. Tina contacted the IM agency in January, after she served the full 3 month RRP and requested to re-enroll in BadgerCare Plus. As long as there are still months left in the extension and she continues to meet the program eligibility criteria, Tina can re-enroll starting January without paying any owed premiums from the RRP. Tina would not be able to re-enroll for October, November and December. If Tina had contacted the agency in April, she would be able to choose whether to reinstate her enrollment starting in January, February or March, but she would not be able to choose to be covered only in February and then start coverage again in April.



## 19.11 BadgerCare Plus Restrictive Re-enrollment Period

One member in a household may be in an RRP while other members in the same household are still eligible for BadgerCare Plus or ineligible under a separate RRP. For example, children in the same household as a member on RRP may remain eligible for BadgerCare Plus if no premium obligation was owed for the children.

### 19.11.3 Reapplying

An parent or caretaker who applies for BadgerCare Plus before the end of the RRP and whose assistance group's income is still above the premium threshold may be eligible for BadgerCare Plus for the remainder of the existing extension if he or she pays owed premiums.

A child included on an application for BadgerCare Plus before the end of the RRP and whose assistance group's income is still above the premium threshold may be eligible for BadgerCare Plus if his or her owed premiums are paid.

If the individual's assistance group's income is now below the premium threshold, he or she can become eligible for BadgerCare Plus without paying owed premiums.

**Example 7:** Jackie, John and their three children are open for BadgerCare Plus. Jackie and John are in an extension and have a premium. The children are eligible without a premium. They fail to pay the June premium so Jackie and John are in a RRP from July through September. The children are still eligible. In August, Jackie and John reapply for BadgerCare Plus and report a decrease in income to 95 percent FPL. Beginning August 1, Jackie and John are again eligible for BadgerCare Plus without a premium. In addition, because their income is below the premium threshold, they are not required to pay their owed premiums first.

## 25.1 APPLICATION

Anyone has the right to apply for BadgerCare Plus; however, people younger than 18 years old must have a parent, caretaker relative, or a legal guardian apply for BadgerCare Plus on his or her behalf unless he or she is living independently. In situations where a legal guardian, parent, or caretaker is absent, an adult acting responsibly may apply on behalf of a person who is younger than 18 years old. Individuals younger than 18 years of age have the right to apply for Family Planning Only Services on their own behalf even if not living independently.

The *applicant* may be assisted by any person he or she chooses in completing an *application*.

~~**Note:** Individuals less than 18 years of age have the right to apply for BadgerCare Plus and Family Planning Only Services on his or her own behalf.~~

Encourage anyone who expresses interest in applying to file an application as soon as possible. When an application is requested:

1. Suggest the applicant use the ACCESS online application at the following site: <https://access.wisconsin.gov/access/>; or
2. Mail the paper application form; or
3. Schedule a telephone or face-to-face interview.

Provide any information, instruction and/or materials needed to complete the application process. Provide a Notice of Assignment: Child Support, Family Support, Maintenance and Medical Support form (DWSP-2477) and *Good Cause* Claim form (DWSP-2019) to each applicant with children applying for BadgerCare Plus, with the exception of applicants who apply via ACCESS or to anyone ~~who~~<sup>that</sup> requests either of these.

Refer requests for applications and other outreach materials from groups and persons involved in outreach efforts to: <http://www.dhs.wisconsin.gov/em/customerhelp/>

**Note:** An application can be filed on behalf of a deceased person. If the application is filed within the same calendar month as the date of death or within the three~~3~~ months after the date of death, the application should be processed as if the applicant were alive. If the application is filed more than four~~4~~ months after the date of death, he or she is not eligible.

## 25.5 VALID SIGNATURE

### 25.5.1.1 Signatures from Representatives

The following people can sign the application with their own name on behalf of the applicant:

1. Guardian: When an application is submitted with a signature of someone claiming to be the applicant's guardian, obtain a copy of the document that designates the signer of the application as the guardian. From the documents provided, ensure that the individual claiming to be the applicant's guardian can file an application on his or her behalf. Only the person designated as one of the following may sign the application:

- Guardian of the estate
- Guardian of the person and the estate
- Guardian in general

When someone has been designated as the guardian of the estate, guardian of the person and the estate, or guardian in general, only the guardian, not the applicant, may sign the application. ~~In this situation, the applicant may not sign the application or~~ appoint another representative.

If the applicant only has a legal guardian of the person, the applicant must sign the application unless the applicant has appointed his or her guardian of the person to be the ~~an~~ authorized representative.

2. *Authorized Representative*: The applicant may authorize someone to represent him or her. An authorized representative can be an individual or an organization. See 34.1 Authorized Representatives for more information.

If the applicant needs to appoint an authorized representative when applying by telephone or in person, instruct the applicant to complete the Appoint, Change, or Remove an Authorization of Representative form (F-10126).

3. **Durable Power of Attorney (Wis. Stat. ch. 244)**: A durable power of attorney is a person to whom the applicant has given power of attorney authority and agrees that the authority will continue even if the applicant later becomes disabled or otherwise incapacitated.

When a submitted application is signed by someone claiming to be the applicant's durable power of attorney, workers must do both of the following:

- a. Obtain a copy of the document the applicant used to designate the signer of the application as the durable power of attorney.
- b. Review the document for a reference that indicates the power of attorney authority continues notwithstanding any subsequent disability or incapacity of the applicant.

Do not consider the application properly signed unless both of these conditions are met. An individual's Durable Power of Attorney may appoint an authorized representative for purposes of making a BadgerCare Plus application, if authorized on the power of attorney form. The Durable Power of Attorney form will specify what authority is granted.

The appointment of a Durable Power of Attorney does not prevent an individual from filing his or her own application for BadgerCare Plus, nor does it prevent the individual from granting authority to someone else to apply for public assistance on his or her behalf.

4. Someone acting responsibly for an incompetent or incapacitated person.

**Example 1:** Carl is in a coma in the hospital. Sherry, a nurse who works at the hospital, can apply for BadgerCare Plus on Carl's behalf.

5. A superintendent of a state mental health institute or center for the developmentally disabled.
6. A warden or warden's designee for an inmate of a state correctional institution who is a hospital inpatient for more than 24 hours.
7. The director of a county social or human services department delegates, in writing (retain a copy of this written authorization), to the superintendent of the county psychiatric institution the authority to sign and witness an application for residents of the institution.

The social or human services director may end the delegation when there's reason to believe that the delegated authority is not being carried out properly.

## 25.6 FILING DATE

For health care applications submitted to a local agency, the *filing date* is the day a signed, valid *application* or registration form is delivered to the *IM* agency.

The filing date on an ACCESS application for health care is the date that the application is submitted electronically, regardless of the time of day it was submitted. The filing date on an application received from the Marketplace is the application date listed on the Marketplace application.

When an application is submitted by mail or fax, record the date that the IM agency received the valid application form or the next business day if the application is received after the agency's regularly scheduled business hours.

When a request for assistance is made by phone, the filing date is not set until a valid signature is received by the agency.

Note: The filing date may be different from the date received for application processing purposes. See Section 9.2 Application for information on the application processing timeline.

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## 32.1 INTRODUCTION

### 32.1.3.4 Automatic Extension

If the income maintenance agency is unable to finish processing the application for ongoing coverage by the end of the temporary enrollment period, the system will automatically extend the temporary enrollment period for ~~two~~ ~~an~~ additional calendar ~~months~~ ~~month~~. Tables 3 and 4 further explain when temporary enrollment will be extended.

<b>Table 3: Systematic Extension of Temporary Enrollment—Applicant Applied for One Program</b>		
<b>Applicant has applied for one program and eligibility has not been confirmed:</b>	<b>Applicant is currently receiving temporary enrollment benefits for Badger Care Plus:</b>	<b>Applicant is currently receiving temporary enrollment benefits for Family Planning Only Services:</b>
BadgerCare Plus or other ongoing Medicaid coverage	Extend temporary enrollment for BadgerCare Plus	Do not extend temporary enrollment for Family Planning Only Services
Family Planning Only Services	Do not extend temporary enrollment for BadgerCare Plus	Extend temporary enrollment for Family Planning Only Services

<b>Table 4: Systematic Extension of Temporary Enrollment—Applicant Applied for Multiple Programs</b>		
<b>Applicant has applied for multiple programs but eligibility has not been confirmed for all programs:</b>	<b>Applicant is currently receiving temporary enrollment benefits for Badger Care Plus:</b>	<b>Applicant is currently receiving temporary enrollment benefits for Family Planning Only Services:</b>
Eligibility has been confirmed for BadgerCare Plus or other ongoing full-benefit Medicaid coverage but not for Family Planning Only Services	Do not extend temporary enrollment for BadgerCare Plus	<ul style="list-style-type: none"> <li>Do not extend temporary enrollment for Family Planning Only Services if the applicant is eligible for BadgerCare Plus or other ongoing full-benefit Medicaid coverage</li> <li>Extend temporary enrollment for Family</li> </ul>

		<p>Planning Only Services if the applicant is not eligible for BadgerCare Plus or other ongoing full-benefit Medicaid coverage</p>
<p>Eligibility has been confirmed for Family Planning Only Services but not for BadgerCare Plus or other ongoing full-benefit Medicaid coverage</p>	<p>Extend temporary enrollment for BadgerCare Plus</p>	<p>Do not extend temporary enrollment for Family Planning Only Services</p>

## 34.1 AUTHORIZED REPRESENTATIVES

Applicants or members can appoint either an individual or an organization as authorized representative. An authorized representative can be appointed through any of the following means:

- ACCESS, when applying
- Federally Facilitated Marketplace (Note: When a Marketplace application is processed by the agency and an applicant has appointed an authorized representative in the application, the agency must honor this appointment of an authorized representative.)
- Paper form:
  - Appoint, Change, or Remove an Authorized Representative: Person, F-10126A
  - Appoint, Change, or Remove an Authorized Representative: Organization, F-10126B

If an applicant or member is represented by a legal guardian of the person and the estate, legal guardian of the estate, legal guardian in general, or conservator, the legal guardian or conservator must appoint the authorized representative. If the applicant or member only has a legal guardian of the person, the applicant or member must appoint the legal guardian of the person as an authorized representative if the applicant or member would like the legal guardian of the person to act on his or her behalf. If the applicant or member has a power of attorney, the applicant or member can still appoint an authorized representative.

A valid authorized representative appointment requires all contact information of the authorized representative and the signatures of the applicant or member, the authorized representative, and a witness. If the applicant or member is signing with an "X," a valid appointment requires two witness signatures. If any of the required signatures are missing, the following three conditions apply:

- The authorized representative appointment is not valid.
- This authorized representative cannot take action on behalf of the applicant or member.
- The agency cannot disclose information about the case to the invalid authorized representative.

There can only be one authorized representative at a time on a case. There is no time limit on how long a person or organization can act as authorized representative. The appointment of the authorized representative is valid until the applicant or member notifies the agency of a change or removal in writing. Once appointed, the authorized representative has ability to act for all open programs on the case.



## 34.1 Authorized Representatives

Organizations acting as authorized representatives must provide the name and contact information of a person from the organization. Once the organization has been appointed as the authorized representative, anyone from the organization will be able to take action on behalf of the applicant or member (not just the person who signed the form on behalf of the organization). If an organization is only changing the contact person for the organization, the member is not required to complete a new Appoint, Change or Remove Authorized Representative form if the organization is going to remain as the authorized representative.

The authorized representative should be familiar with the applicant or member's household situation and is expected to fulfill their responsibilities to the same extent as the individual being represented. An authorized representative is limited to doing any or all of the following on behalf of the applicant or member:

- Apply for or renew benefits
- Report changes in the applicant or member's circumstances or demographic information
- Receive copies of the applicant or member's notices and other communications from the agency
- Work with the IM agency on any benefit related matters
- File grievances or appeals regarding the applicant or member's eligibility

To change an authorized representative, the member must complete and submit the Appoint, Change, or Remove an Authorized Representative form to their IM agency. To remove an authorized representative, the member needs to let the agency know of the removal in writing, for example completing Section one of the Appoint, Change, or Remove an Authorized Representative form or submitting a signed letter indicating the removal. The member does not need to gather additional signatures from the authorized representative or a witness to complete the removal of an authorized representative.

Authorized representatives can also request in writing (for example, a signed statement) to be removed if they no longer want to act as the authorized representative. If an authorized representative is requesting to be removed, a signed statement is not needed by the member. An authorized representative designation is valid on a case until a written and signed request is received for removal.

**Example 1:** Penny is due for renewal of her BadgerCare Plus benefits on August 31. In July, she receives her case summary as part of the administrative renewal process. Penny's case summary lists her mom, Darlene, as her authorized representative. Penny no longer wants Darlene to be her authorized representative. Penny crosses out the authorized representative information on the case summary, signs it, and mails it to the IM agency. The IM agency receives the case summary on August 3. Based on Penny's handwritten update on the case summary, the IM agency removes Darlene as Penny's authorized representative effective on August 3.

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## 40.5 FINANCIAL REQUIREMENTS

### 40.5.1 Financial Eligibility Requirements Specific to FPOS

The following specific financial eligibility requirements apply to *FPOS* members, regardless of the methodology used to determine his or her *FPOS* income:

1. Countable income calculated in the *application* month is used to determine the member's financial eligibility for the entire 12-month eligibility period. Income changes do not need to be reported until the next review. This policy does not apply to backdated months. Backdated months are determined in addition to the 12-month certification period and are not used as the basis for whether someone's eligibility will be maintained after an increase in income. As with other health care requests, the 12-month certification period will be set based on the filing month, not the first month of backdated eligibility.
2. Any change in income or household size reported after confirmation for *FPOS* during the 12-month eligibility period is only applied if it results in enrollment in BadgerCare Plus with no premium or eligibility for other full benefit Medicaid.
3. All changes in income or household composition that result in enrollment in BadgerCare Plus with no premium or eligibility for other full benefit Medicaid will result in *FPOS* closure prior to the 12th month.
4. All changes in income will be applied at the 12-month *FPOS* eligibility renewal.