



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-5789/1
TJD:amn

2021 BILL

1 **AN ACT** *to renumber and amend* 49.823; and *to create* 49.45 (2) (a) 3m., 49.45
2 (4d) and (4j) and 49.823 (2) of the statutes; **relating to:** disenrollment of
3 ineligible individuals from and redeterminations of eligibility for the Medical
4 Assistance program and database confirmation for public assistance program
5 eligibility.

Analysis by the Legislative Reference Bureau

This bill makes various changes to eligibility determinations for public assistance programs and, specifically, the Medical Assistance program. The Medical Assistance program is a joint federal and state program that provides health services to individuals who have limited financial resources.

The bill prohibits the Department of Health Services from automatically renewing the eligibility of a recipient for Medical Assistance program benefits. DHS must determine an individual's eligibility every six months under the bill. DHS is also prohibited from using prepopulated forms or otherwise supplying information, except for name and address, to a recipient of or an applicant for Medical Assistance that has been supplied to DHS. Additionally, any recipient of Medical Assistance benefits that fails to timely report to DHS or its designee any change that may affect eligibility is ineligible for benefits for six months from the date DHS discovers the failure to report the change. Under current law, knowingly concealing or failing to disclose any event that an individual knows affects the initial or continued right to a Medical Assistance benefit is subject to a forfeiture of not less than \$100 nor more than \$15,000 for each concealment or failure.

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The bill requires DHS to enter data sharing agreements with any agency that maintains a database of financial or personal information about residents of this state. DHS must confirm the information of an applicant for a public assistance program against the information contained in those databases. The bill also requires DHS to share data for this purpose of confirming eligibility for public assistance programs. Current law requires DHS and the Department of Children and Families to compare each department's respective databases against the databases of death records to identify deceased participants.

The bill requires DHS to promptly remove from eligibility for the Medical Assistance program any individual who has been determined to be ineligible for the program. Under the federal Families First Coronavirus Act, during a federally declared public health emergency, a state may receive an enhanced amount of federal financial participation in its Medical Assistance program if the state complies with certain criteria, including refraining from disenrolling individuals from the program. Under the bill, if the disenrollment or any other part of the bill would cause the state not to comply, that portion of the bill that does not comply may not be implemented until the period of enhanced federal financial participation ends. During the period before it ends, DHS must audit Medical Assistance eligibility and report quarterly to the legislature the number of individuals who are ineligible for Medical Assistance but who are receiving benefits.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 49.45 (2) (a) 3m. of the statutes is created to read:

2 49.45 (2) (a) 3m. Remove promptly from eligibility for the Medical Assistance
3 program under this subchapter any individual who has been determined to be
4 ineligible.

5 **SECTION 2.** 49.45 (4d) and (4j) of the statutes are created to read:

6 49.45 (4d) REDETERMINATION OF ELIGIBILITY. The department may not
7 automatically renew the eligibility of a recipient of Medical Assistance benefits
8 under this subchapter. The department shall redetermine eligibility for the Medical
9 Assistance program under this subchapter for each individual every 6 months. In
10 collecting information from a recipient of Medical Assistance benefits or an

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1 applicant, the department may not use any form that is prepopulated or otherwise
2 provide to the recipient or applicant with information that has been supplied to the
3 department except for the recipient's or applicant's name and address.

4 **(4j) FAILURE TO REPORT.** Any recipient of Medical Assistance benefits under this
5 subchapter who fails to timely report to the department or an entity designated by
6 the department any change that may affect the recipient's eligibility for benefits
7 shall be ineligible for benefits under this subchapter for 6 months following the date
8 that the department discovers the failure to report the change.

9 **SECTION 3.** 49.823 of the statutes is renumbered 49.823 (1) and amended to
10 read:

11 49.823 (1) The department of health services and the department of children
12 and families shall, at least once every 3 months, perform a comparison of each
13 department's respective public benefit database information against nationally
14 recognized databases that contain information on death records, including the
15 federal social security administration's Death Master File, to identify participants
16 in public benefit programs that are deceased. If a department determines during a
17 review under this ~~section~~ subsection that a participant is deceased, the department
18 shall designate that individual as ineligible for benefits in any applicable database.
19 The requirements under this ~~section~~ subsection do not apply to the department of
20 children and families with regard to child care subsidies under s. 49.155.

21 **SECTION 4.** 49.823 (2) of the statutes is created to read:

22 49.823 (2) The department of health services shall enter a data sharing
23 agreement with the department of children and families, the department of
24 workforce development, and any other agency that maintains a database of financial
25 or personal information about residents of this state. The department of health

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1 services, through the data sharing agreement, shall confirm the information
2 submitted by the applicant for a public assistance program with the information
3 contained in other databases held by other agencies. The department of health
4 services shall share data with other agencies for the purposes of confirming
5 eligibility for public assistance programs.

6 **SECTION 5. Nonstatutory provisions.**

7 (1) EFFECTIVE DATE OF DISENROLLMENT; REPORT ON INELIGIBILITY. If
8 implementation of s. 49.45 (2) (a) 3m. or any other part of this act does not comply
9 with section 6008 (b) of the federal Families First Coronavirus Response Act, P.L.
10 116-127, to receive the enhanced federal medical assistance percentage, the
11 department of health services shall implement any part of the act that does not
12 comply beginning no sooner than the first day of the month beginning after the
13 month in which the enhanced federal medical assistance percentage described in
14 section 6008 (a) of the federal Families First Coronavirus Response Act ends. During
15 the period before the enhanced federal medical assistance percentage described in
16 section 6008 (a) of the federal Families First Coronavirus Response Act ends, the
17 department of health services shall perform an audit of Medical Assistance eligibility
18 and report quarterly to the legislature under s. 13.172 (2) the number of individuals
19 who are ineligible for Medical Assistance under subch. IV of ch. 49 but who are still
20 receiving benefits.

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(END)