

Affected Programs: Wisconsin Chronic Disease Program

To: All Providers

Wisconsin Chronic Disease Program Cost Sharing

This *ForwardHealth Update* describes member cost sharing information for Wisconsin Chronic Disease Program providers.

Implementation of ForwardHealth interChange

In October 2008, the Department of Health Services (DHS) will implement ForwardHealth interChange, which replaces Wisconsin's existing Medicaid Management Information System (MMIS). ForwardHealth interChange will be supported as part of the State's new fiscal agent contract with EDS. With ForwardHealth interChange, providers and trading partners will have more ways to verify member enrollment and submit electronic claims, adjustments, and prior authorization requests through the secure ForwardHealth Portal. Refer to the March 2008 *ForwardHealth Update* (2008-24), titled "Introducing ForwardHealth interChange, a New Web-Based Information System for State Health Care Programs," for an overview of the implementation and a more detailed outline of the many business process enhancements and added benefits the new system and fiscal agent contract will provide.

This *Update* contains information applicable to providers of Wisconsin Chronic Disease Program (WCDP) chronic renal disease, adult cystic fibrosis, and hemophilia home care services. Providers should refer to future service-specific WCDP *Updates* for more information, including claim submission information.

This *Update* provides detailed information about spenddown, copayment, coinsurance, and cap limits to assist providers in their understanding about the payment responsibilities for WCDP members who receive WCDP-covered services.

Member Cost Sharing

All WCDP members are responsible for paying part of the costs involved in obtaining services. Applicable cost sharing payment amounts are automatically deducted by WCDP from payments allowed by WCDP. Therefore, providers should not reduce the billed amount on the claim by the amount of the member cost sharing payment.

All providers who render a service that requires a member cost sharing payment established by the Division of Health Care Access and Accountability must make a reasonable attempt to collect that payment from the member. Providers are required to request cost sharing payment from members and may deny services to a member who fails to make a cost sharing payment.

Members are required to pay any applicable spenddown, copayment, coinsurance, and cap limit amounts as indicated on the provider's remittance information when the claim is paid.

Spenddown

Spenddown (formerly known as income deductible) is a member's out-of-pocket WCDP-related medical expense

that must be satisfied before WCDP benefits begin. Wisconsin Chronic Disease Program determines the exact spenddown a member is responsible for based on income and family size. Spenddown applies for members whose estimated total family income is greater than or equal to 200 percent of the Federal Poverty Level (FPL).

For example, if a member has an annual income of \$30,000 and a family size of two, the member's spenddown is .50 percent or \$150 (based on the 2008 Wisconsin Chronic Disease Income Deductible worksheet found in member certification information). To satisfy the spenddown amount, the member must pay \$150 out-of-pocket for covered WCDP medical expenses *before* WCDP will reimburse the provider.

Note: The FPL amounts are indicated in WCDP application and instructions.

Chronic renal disease program members who receive inpatient and outpatient hospital services must pay an annual Medicare deductible before reimbursement will be made by WCDP. Deductible amounts are set yearly by Medicare and can be found in the liability chart included with the WCDP member application or annual Financial Need Statement. Hospital claims for inpatient hospital stays apply to the inpatient hospital deductible, and claims that apply to the outpatient hospital deductible include claims for physician, laboratory, and outpatient hospital services.

Note: The WCDP member application and instructions and Financial Need Statement and instructions can be found on the WCDP Web site at dhs.wisconsin.gov/wcdp. After implementation of ForwardHealth interChange, the WCDP application, Financial Need Statement, and instructions for both will be available on the ForwardHealth Portal at www.forwardhealth.wi.gov/.

Copayment

Copayment is a flat fee that a member pays for WCDP-covered retail pharmacy drugs. Pharmacy services are the

only WCDP services that require copayment. Members are responsible for paying a \$7.50 copayment for generic drugs and a \$15.00 copayment for brand name drugs.

Coinsurance

Coinsurance is a personal liability percentage a member must pay for each non-pharmacy claim. Coinsurance is determined by family size and income, which is reported to WCDP on a yearly basis. The amount the provider should collect from the member is indicated on the provider's remittance information where the rest of the claim's processing information is located.

For example, if a member has an annual income of \$30,000 and a family size of two, the member is responsible for paying the provider 10 percent of the cost of each WCDP claim. If that member has an annual income of \$15,000, the member is responsible for 2 percent of the cost of each WCDP claim, and if that member has an annual income of \$50,000, the member is responsible for 24 percent of the cost of each WCDP claim.

Cap Limit

The cap limit is the maximum amount a member is responsible for in liability before WCDP will provide full reimbursement for reimbursable program services. The cap limit is determined as a flat percentage of the member's income using the appropriate liability chart included with the WCDP application.

For example, if a member has annual income of \$30,000, the member's cap limit is 5 percent of the annual income. If the member has an annual income of \$8,000, the member's cap limit is 3 percent of the annual income, or \$240.00, and if a member's annual income is \$110,000, the member's cap limit is 10 percent, or \$11,000. The member's maximum cap limit percentage is 10 percent.

Note: Copayments for pharmacy services are still required after the cap limit has been reached.

Collecting Payment from Members

Providers are required to accept reimbursement for WCDP chronic renal disease services as payment in full. For chronic renal disease services, providers are prohibited from collecting payment from a member for any amount for which the charge of the service exceeds the amount reimbursed by WCDP.

For adult cystic fibrosis and hemophilia home care services, providers may collect from a member payment for any remaining charges that exceed the amount reimbursed by WCDP.

Deduction Amounts

Providers may refer to their remittance information for WCDP spenddown, copayment, and coinsurance amounts deducted from the reimbursement.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). Wisconsin Well Woman Program is administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at (800) 947-9627 or visit our Web site at dhs.wisconsin.gov/forwardhealth/.

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