

# Evaluation of Wisconsin's BadgerCare Plus Health Care Coverage Program

## Report #5

Wisconsin's On-Line System for Medicaid Application and Enrollment:  
Who Uses It? And Does it Increase Take-Up of Benefits?

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*Translating Research for Policy and Practice*

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## **Preface: BadgerCare Plus**

Wisconsin's BadgerCare Plus (BC+) program was designed to ensure access to health insurance coverage to virtually all Wisconsin children and to bolster coverage for parents and other caretaker adults. The program, launched in February of 2008, expanded upon BadgerCare (Wisconsin's Children's Health Insurance Program) and Medicaid. Its reforms included eligibility expansions; simplification of eligibility rules and enrollment and verification processes; and an aggressive marketing and outreach campaign.

BadgerCare Plus eliminated the income eligibility ceiling for children. Coverage operates as a single program with two insurance products: the Standard Plan, for enrollees < 200% Federal Poverty Level (FPL), and the Benchmark Plan, for enrollees >200% FPL. The former is the traditional Medicaid plan and requires only minimal cost-sharing, while the latter is comprised of a more limited set of covered services and requires co-payments on non-preventive services, similar to private insurance policies.

The premium threshold for children was set at 150% FPL under BadgerCare and was raised to 200% FPL under BadgerCare Plus. Modest-income children (200-300% FPL) enrolled in the Benchmark Plan are subject to premium payments that increase with family income level; premiums start at \$10 per month and are capped at 5% of total monthly income. The families of higher-income children (> 300% FPL) are required to pay the full cost of coverage in the Benchmark Plan, which amounted to approximately \$100 per month in 2008.

In contrast to the 200% income threshold imposed for children, the sliding-scale premium begins at 150% FPL for parents and caretakers; again, with total family premium contributions capped at 5% of monthly income. BadgerCare Plus also includes caretaker relatives in its definition of parental eligibility.

Prior to the launch of BadgerCare Plus, anti-crowd-out provisions were applied in the BadgerCare program but not in the Medicaid program. Under BadgerCare Plus, applicants with incomes over 150% FPL are subject to anti-crowd-out provisions. With good-cause exceptions, these individuals face a three-month waiting period for dropped coverage and they cannot have been offered employer-sponsored insurance (ESI) during the past 12 months or have the opportunity to enroll in ESI during the upcoming 3 months. The employer must cover at least 80% of the premium for the crowd-out provisions to apply.

## **Study Background**

ACCESS, Wisconsin's online system for application to Medicaid, BadgerCare Plus, and other public benefits, has received attention for its apparent success in enrolling Wisconsin residents into programs, for its relative ease of use, and its contributions to BadgerCare Plus' administrative simplification.<sup>1,2</sup> Wisconsin's experience with ACCESS will be instructive as other states begin to craft online enrollment systems mandated by the Patient Protection and Affordable Care Act. Such automated processes and tools promise to facilitate eligibility and enrollment under expanded Medicaid programs and for federal subsidies in new health insurance exchanges.

Wisconsin's ACCESS is a web-based, self-service tool through which applicants can find out whether they may be eligible for BadgerCare Plus – Wisconsin's combined Medicaid and CHIP program, as well as FoodShare (federal Supplemental Nutrition Assistance Program - SNAP) and other public assistance programs. ACCESS users can use the "Am I Eligible?" screener or can apply for benefits ("Apply for Benefits"). They can also check the status of their benefits, including the renewal date, ("Check My Benefits"), renew their benefits ("Renew My Benefits"), and report changes to keep their eligibility current ("Report My Changes"). The system's processes and functionality have been well-described in detail elsewhere.<sup>1,3</sup>

Wisconsin's Department of Health Services (DHS) reports that more than 60% of all BadgerCare Plus applications come through ACCESS. Childless adult applications for BadgerCare Plus Core Plan can only be made via ACCESS or by phone, and more than 80% of the applications come through ACCESS. The ACCESS platform has been adopted by New York, Georgia, Colorado, New Mexico, and Michigan. And, the state now refers to ACCESS as "Customer's Preferred Application Channel" over mail-in, walk-in, or telephone applications for health care coverage.

DHS also points to the success of ACCESS in facilitating take-up of other public benefits, particularly food assistance, and the system was built with that intention. FoodShare has a lower eligibility income threshold than BadgerCare Plus, and so it was expected that many persons eligible for health coverage would also be eligible for food assistance.

The state reports that ACCESS has increased BadgerCare Plus applicants' participation in FoodShare and other programs by raising awareness about potential eligibility, and simplifying the process of applying for and keeping benefits. As substantiating evidence, DHS points to the concurrently increasing trends in ACCESS use and BadgerCare Plus and FoodShare applications (see Figure 1, a DHS graphic).

Absent other confounding factors, this similarity in trends could indeed be interpreted as evidence that the increased penetration of ACCESS use among BadgerCare Plus applicants

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<sup>1</sup> Kaiser Family Foundation. Optimizing Medicaid Enrollment, Spotlight on Technology. Wisconsin's ACCESS Internet Portal. October 2010. Available at: <http://www.kff.org/medicaid/upload/8119.pdf>.

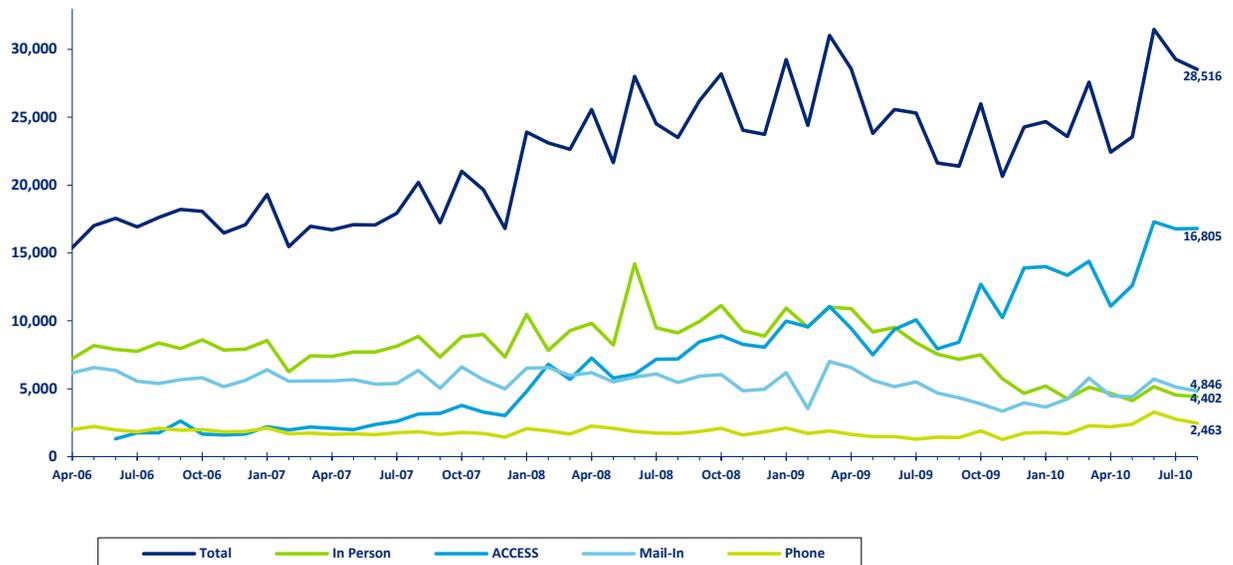
<sup>2</sup> Department of Health Services, "Wisconsin Receives Two Awards for Health Care Program". Available at: <http://www.dhs.wisconsin.gov/News/PressReleases/2010/120610badgercareaward.htm>

<sup>3</sup> See: <http://www.stockholmchallenge.org/project/2010/access-eligibility-support-services-health-nutrition-and-child-care>

likely caused an increase in participation in FoodShare. However, several important confounding influences were operating over the same time frame, including major changes in BadgerCare Plus program features and a severe economic downturn, both of which increased the population eligible for public health insurance coverage and FoodShare. Thus, similarities in trend lines cannot be used as evidence for ACCESS-induced program spillovers.<sup>4</sup>

Study Purpose: The goal of the analysis reported here is to provide a clearer picture of the likely association between ACCESS use by BadgerCare Plus applicants and enrollment spillovers into other programs.

**Figure 1.**  
**Health Care, FoodShare and Family Planning Waiver Program RFA Counts by Contact Method** (Source: Wisconsin Department of Health Services)



### Research Aims and Methods

For this study, we used a random sample of disaggregated case-level data over the time period January 2008-November 2009.

Our first research aim was to establish whether and how the utilization of various application methods – ACCESS, mail-in, phone, and walk-in – varies by applicant characteristics. We specifically compared applicants’ use of various methods according to their urban or rural

<sup>4</sup> Leininger LJ, Friedsam D, Mok S, Dague L, Hynes E, Bergum A, Oliver T, DeLeire T. “Wisconsin’s BadgerCare Plus Reform: Impact on Low-Income Families’ Enrollment and Retention in Public Coverage.” Health Services Research, Forthcoming 2011.

geography, income, primary language and other characteristics. This stratified analysis provides clues regarding which types of populations select into various application modes.

We then assessed the proportion of BadgerCare Plus applicants ultimately deemed eligible across application methods. This provides a measure of target efficiency by method. We define target efficiency as the extent to which an enrollment method elicits applications from eligible (versus ineligible) applicants. For example, an online system is likely a preferred method for applicants with computer access, who may have relatively higher incomes that place them just outside of eligibility range.

Furthermore, for each application mode, we examined the likelihood that a BadgerCare Plus applicant also applies for FoodShare. To do so we computed both unadjusted and regression-adjusted estimates of the association between application method and the likelihood of applying for FoodShare, a phenomenon we term *application spillover*. We then assessed the percentage of these “spillover applicants” who are actually deemed eligible for FoodShare, which we term *eligible spillover*. We assessed *enrollment spillovers* by application method (as distinct from application spillovers) by calculating the percentage of BadgerCare Plus applicants who also *successfully enroll* in FoodShare; this estimate is derived by multiplying application spillover by eligible spillover.

$$\text{Enrollment Spillover} = \text{Application Spillover} * \text{Eligible Spillover}$$

Finally, we calculated enrollment spillovers by mode at different points over the study period, assessing whether or not their magnitudes have changed as ACCESS penetration has grown.

***What are the application methods used by various BadgerCare Plus enrollees?***

Does the utilization of various methods -- online, mail-in, phone, and walk-in -- differ among applicants of various income, geographic, or other characteristics?

***Does ACCESS facilitate program take-up that would not have occurred in its absence?***

What % of those who apply on for BadgerCare Plus on ACCESS also apply for FoodShare (FS) on ACCESS?

What % of those who apply for BadgerCare Plus through non-electronic methods also apply for FS?

***What is the target efficiency of the various application routes?***

What % of those who apply for FS on ACCESS are found eligible?

What % of those who apply for FS ultimately enroll in FS?

What % of those who apply for FS through non-electronic methods are found eligible?

What % of those who apply for BadgerCare Plus through non-electronic methods also enroll in FS?

## **Methods**

The primary data about ACCESS utilization were provided by Deloitte Consulting, the DHS' contracted vendor for eligibility systems. For the ACCESS utilization data, Deloitte Consulting pulled a random sample of 111,540 applications from January 2008 through February 2010 of those individuals who applied for health coverage for children, low-income families, and pregnant women. Trends in BadgerCare Plus applications and enrollments and FoodShare applications and enrollments were calculated using these data. The sample was then matched to enrollment data from CARES, the BadgerCare Plus eligibility system, to stratify enrollment and application trends by key socioeconomic subgroups.

CARES data were only available through November 2009. Accordingly all analyses using CARES covariates have a slightly shorter study period. Also important to note is that we did not have matched CARES data on the 68,061 applications for non-family coverage (including the CORE plan, Elderly/Blind/Disabled beneficiaries, Family Planning waiver services, and persons under 21 residing in an institution for mental health reasons). Finally, analyses using CARES covariates exclude the very small number of cases (92) for which CARES data were not available concurrent to BadgerCare Plus enrollment. These likely are cases with backdated eligibility; their exclusion does not influence our estimates.

## **Questions**

- *What are the application methods used by various BadgerCare Plus enrollees?*
- *Does the utilization of various methods -- online, mail-in, phone, and walk-in -- differ among applicants of various income, geographic, or other characteristics?*
- *Do lower-income applicants use ACCESS?*

## **Results**

### **Among Group – methods utilized**

The choice of application method varies significantly among various demographic groups, with chi-Square at  $p < .0001$ . Of 33,569 total applicants in the sample, 62% applied through ACCESS, while approximately 17% applied by mail-in or walk-in methods and 4% by phone. Applicant methods differed in several regards among subgroups:

- Across application modes, ACCESS applicants were the least likely to be determined eligible for coverage (69% versus 87% for phone, 83% for walk-in, and 77% for mail-in)
- Those in metropolitan areas used ACCESS more (65%), and in rural areas less (60%). This holds as well for mail-in methods. However, metropolitan applicants use walk-in methods less (14%) than rural applicants (20%).
- Women use ACCESS less (56%) and men use it more (68%). Women use walk-in (22%) more.
- Among income groups, ACCESS is much more readily utilized by persons above 150% FPL (>80% versus 56%), while persons below 150% FPL favor walk-in more heavily (22% versus 5%).

### Among Methods, Eligibility and Income of Users

|                                   | Application Method |             |         |             |        |             |         |             |        |            |
|-----------------------------------|--------------------|-------------|---------|-------------|--------|-------------|---------|-------------|--------|------------|
|                                   | ACCESS             |             | Mail-in |             | Phone  |             | Walk-in |             | Total  |            |
|                                   | Number             | % of method | Number  | % of method | Number | % of method | Number  | % of method | Number | % of total |
| <b>Total Applications</b>         | 20,755             | 61.83%      | 5,580   | 16.62%      | 1,239  | 3.69%       | 5,995   | 17.86%      | 33,569 | 100%       |
| <b>Eligible for BC+ Coverage?</b> |                    |             |         |             |        |             |         |             |        |            |
| Yes                               | 14,405             | 69%         | 4,295   | 77%         | 1,081  | 87%         | 4,990   | 83%         | 24,771 | 74%        |
| No                                | 6,350              | 31%         | 1,285   | 23%         | 158    | 13%         | 1,005   | 17%         | 8,798  | 26%        |
| <b>FPL</b>                        | Missing = 2,726    |             |         |             |        |             |         |             |        |            |
| 0-150%                            | 12,127             | 61%         | 4,015   | 84%         | 882    | 82%         | 4,720   | 91%         | 21,744 | 71%        |
| 150.01%-200%                      | 3,091              | 16%         | 373     | 8%          | 112    | 11%         | 265     | 5%          | 3,841  | 12%        |
| 200.01%-300%                      | 2,901              | 15%         | 279     | 6%          | 56     | 5%          | 141     | 3%          | 3,377  | 11%        |
| > 300%                            | 1,701              | 9%          | 109     | 2%          | 15     | 1%          | 56      | 1%          | 1,881  | 6%         |

| Metropolitan Area | Application Method |     |         |     |       |    |         |     | Total  |     |
|-------------------|--------------------|-----|---------|-----|-------|----|---------|-----|--------|-----|
|                   | ACCESS             |     | Mail-in |     | Phone |    | Walk-in |     |        |     |
| Yes               | 8,692              | 65% | 2,494   | 19% | 341   | 3% | 1,927   | 14% | 13,454 | 40% |
| No                | 12,063             | 60% | 3,086   | 15% | 898   | 4% | 4,068   | 20% | 20,115 | 60% |
| Missing = 0       |                    |     |         |     |       |    |         |     |        |     |

| Female      | Application Method |     |         |     |       |    |         |     | Total  |     |
|-------------|--------------------|-----|---------|-----|-------|----|---------|-----|--------|-----|
|             | ACCESS             |     | Mail-in |     | Phone |    | Walk-in |     |        |     |
| Yes         | 9,727              | 56% | 3,208   | 18% | 674   | 4% | 3,802   | 22% | 17,411 | 52% |
| No          | 11,028             | 68% | 2,372   | 15% | 565   | 3% | 2,193   | 14% | 16,158 | 48% |
| Missing = 0 |                    |     |         |     |       |    |         |     |        |     |

| Federal Poverty Level | Application Method |     |         |     |       |    |         |     | Total  |     |
|-----------------------|--------------------|-----|---------|-----|-------|----|---------|-----|--------|-----|
|                       | ACCESS             |     | Mail-in |     | Phone |    | Walk-in |     |        |     |
| 0-150%                | 12,127             | 56% | 4,015   | 18% | 882   | 4% | 4,720   | 22% | 21,744 | 71% |
| 150.01%-200%          | 3,091              | 80% | 373     | 10% | 112   | 3% | 265     | 7%  | 3,841  | 12% |
| 200.01%-300%          | 2,901              | 86% | 279     | 8%  | 56    | 2% | 141     | 4%  | 3,377  | 11% |
| Greater than 300%     | 1,701              | 90% | 109     | 6%  | 15    | 1% | 56      | 3%  | 1,881  | 6%  |
| Missing = 2,726       |                    |     |         |     |       |    |         |     |        |     |

DHS reports several reasons why ACCESS applications are less likely than other application methods to result in an approval for benefits. Indeed, beyond an applicant’s income and insurance status, a number of factors affect the rate of approval of BadgerCare Plus applications via any method. Approval depends on applicants’ follow-through with application requirements, provision of needed documentation, submittal of premium payments, and proper system verification of supplied information.

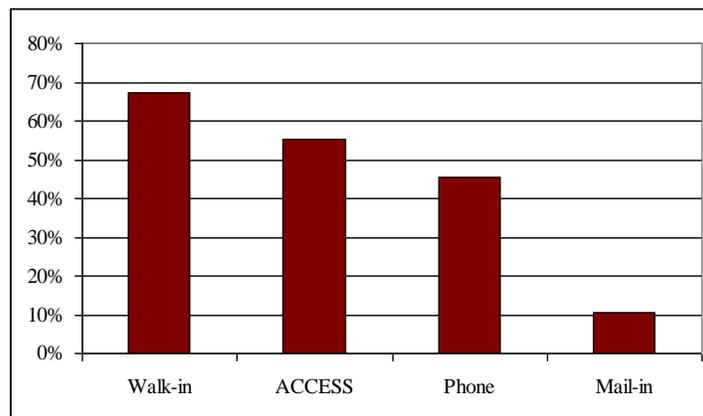
In particular, online applications are twice as likely as other applications to be denied for lack of verification. Verifications pose at least two special challenges to online applications. First, many verification requirements involve the manual transfer of a paper document, which is a significant departure from the ease and convenience of applying online. In addition, the system does not know at the time of application exactly which items must be verified; the precise verification needs can only be identified after the worker has started to review and process the electronic application.

**Take-Up and Target Efficiency**

- *Does ACCESS facilitate FoodShare take-up? What is the target efficiency of the various application routes? Has it changed over time?*

Figure A demonstrates that the likelihood of BadgerCare Plus applicants’ simultaneously applying for FoodShare is highly correlated with enrollment mode. The estimates were generated with a multivariate regression model that adjusted for a variety of socioeconomic controls. Accordingly, the adjusted proportions provide comparisons across enrollment modes for socioeconomically similar applicants. Walk-in and ACCESS methods have the highest *application spillovers* for FoodShare.

**Figure A.**  
**Adjusted Proportion of BadgerCare Plus Applicants Who Also Apply for FoodShare, by Enrollment Mode**



*Note: Adjusted proportions computed based on a regression model that controlled for gender, urban/rural residence, income, and year.*

Walk-in applicants were six times more likely than comparable mail-in applicants to simultaneously apply for both programs (67.3% versus 10.6%, respectively). The adjusted proportions of ACCESS and phone applicants applying for FoodShare lie between walk-ins and mail-ins, at 55.1% and 45.6%, respectively.

Table 1 and Figure B, below, show how application spillovers have evolved from immediately prior to BadgerCare Plus implementation through February 2010. Application spillovers grew over the study period (with a spike in August 2009, a unique period discussed in detail below) for ACCESS applicants, while they remained steady for phone applicants (excepting a dip in August 2009) and walk-in applicants. Application spillovers grew for mail-in applicants.

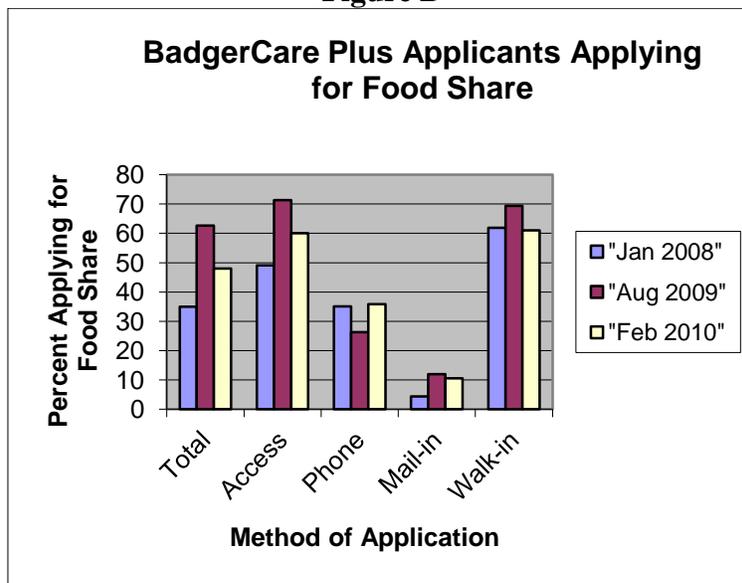
**Target Efficiency**

ACCESS appears to attract many applicants who are not ultimately enrolled in benefits, either because they are ineligible or because they do not follow-through with the necessary paperwork and verification processes.<sup>5</sup> (Table 2)

**Table 1.**  
**Trend in % of those who apply for BadgerCare Plus also apply for FoodShare, by application method**

| Application method | Jan 2008 | Aug 2009 | Feb 2010 |
|--------------------|----------|----------|----------|
| Total              | 35.0     | 62.6     | 48.0     |
| ACCESS             | 49.1     | 71.3     | 60.0     |
| Phone              | 35.1     | 26.3     | 35.9     |
| Mail-in            | 4.4      | 12.0     | 10.6     |
| Walk-in            | 61.9     | 69.4     | 61.0     |

**Figure B**



<sup>5</sup> FoodShare requires a face-to-face interview with all applicants in order to finalize enrollment.

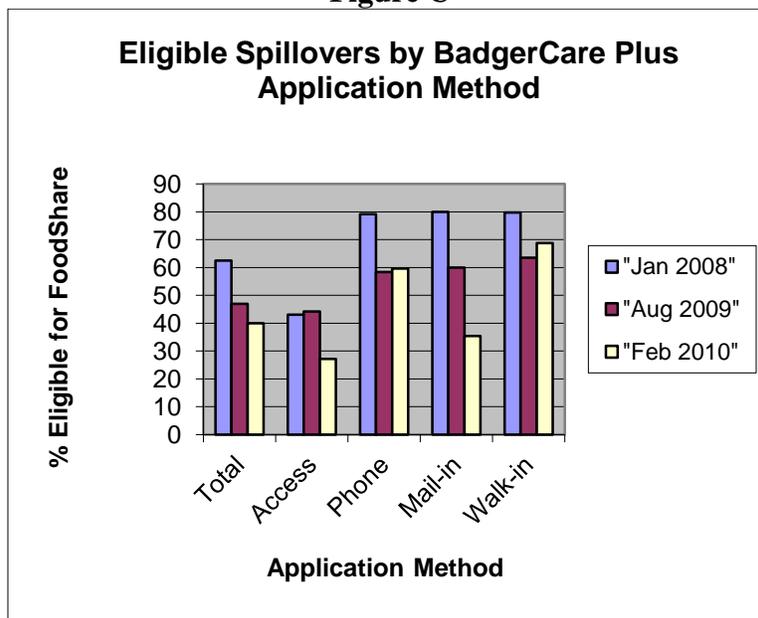
This trend magnifies substantially as of July/Aug 2009, when enrollment commenced for the BadgerCare Plus Core Plan for adults without dependent children. The Core Plan brought in a large number of new applicants to the ACCESS system, and many of them may have applied for other programs along the way who might not otherwise have done so. The graphs (Figures B and C) show substantial upward trend, particularly within ACCESS, for applications for FoodShare.

Meanwhile, ACCESS shows the lowest overall outcomes of FoodShare eligibility among its applicants (Table 2 and Figures C and D). Following a peak around September 2009, ACCESS (along with mail-in) shows a steep decline in the percentage of applicants actually found eligible for FoodShare -- a decline in target efficiency of ACCESS. This corresponds to the period in which enrollment opened for the Core Plan, and application was available only via ACCESS or phone methods. Enrollment was closed for the Core Plan in October 2009, although applications continued to be submitted and were assigned to the waitlist.

**Table 2. Percent of BC+ Applicants who Apply and are Found Eligible for FoodShare**

| Application method | Jan 2008 | Aug 2009 | Feb 2010 |
|--------------------|----------|----------|----------|
| Total              | 62.5     | 46.9     | 39.9     |
| Access             | 43.0     | 44.2     | 27.1     |
| Phone              | 79.1     | 58.3     | 59.6     |
| Mail-in            | 80.0     | 60.0     | 35.4     |
| Walk-in            | 79.7     | 63.5     | 68.8     |

**Figure C**



Eligible Spillovers = Percent of BadgerCare Plus applicants who concurrently apply for FoodShare and are deemed eligible for FoodShare.

DHS has raised a very important caveat regarding the August 2009-December 2009 estimates. The influx of CORE applications took several months to process, and while the BadgerCare Plus enrollment system data were correctly backdated to reflect the eligibility initiation date, the same is not true of the FoodShare enrollment data. This differential backdating results in an *underestimation* of enrollment spillover for ACCESS and phone for this time period. The following illustrative example demonstrates the nature of the bias:

- An application was submitted for both the CORE plan and Food Share via ACCESS in August 2009
  - The application was processed in November 2009 and the applicant was found eligible for both BadgerCare Plus and FoodShare, backdated to August 2009
    - FoodShare benefits backdated to August were paid out to the member, but the enrollment system does not reflect eligibility initiation until November. However, the system still identifies August 2009 as the application date.
    - BadgerCare Plus eligibility initiation was correctly backdated in the system to August
      - Result: Data show that a “spillover” application for FoodShare was made but that the applicant was not enrolled

Because of the temporary enrollment systems limitation, it is crucial to interpret the spillover figures from this time period with caution.

**Discussion**

The ACCESS online program includes an optional “Am I Eligible” module, intended to allow a quick screen of applicants prior to their submitting the full application through the “Apply for Benefits” component or for anyone interested exploring Wisconsin’s public assistance programs anonymously. The data presented here demonstrate a spike in overall applications and a large relative increase in non-eligible applicants, despite the presence of the “Am I Eligible” screen. Of those who completed the screener, 97% are found potentially eligible for a program (Table 3, DHS figures). At the same time, about twice as many “Apply for Benefits” modules are completed per month as are “Am I Eligible” modules.

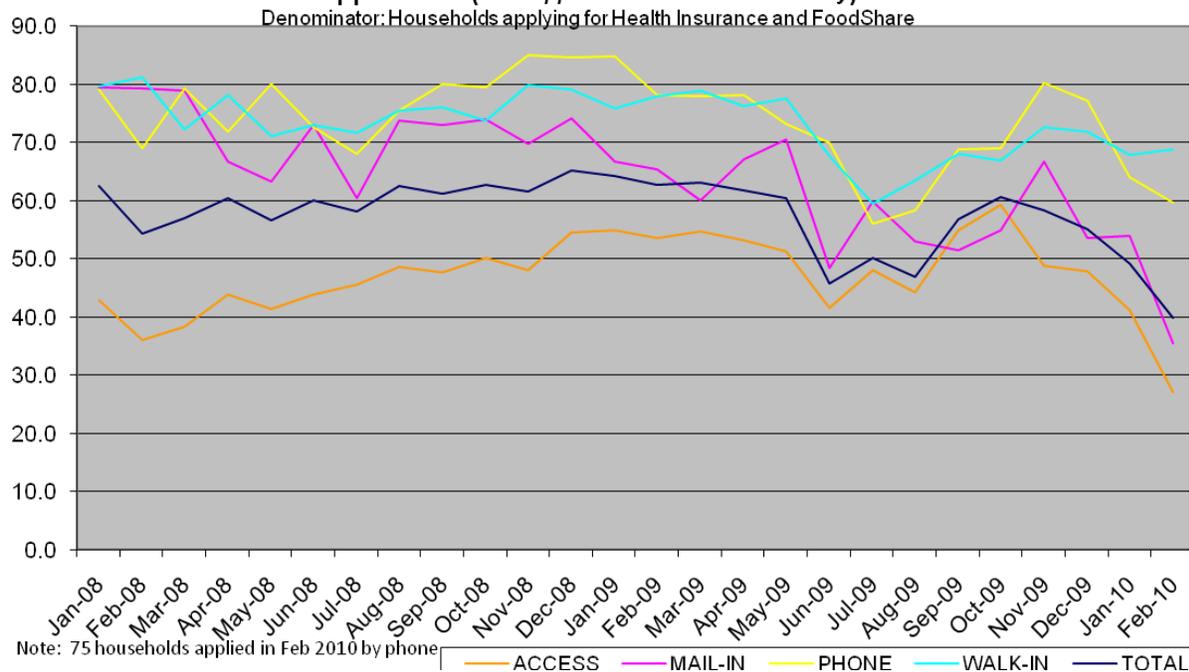
**Table 3. DHS figures**

| <b>Am I Eligible – Self-Assessments</b>  | <b>Apply For Benefits (AFB) Applications</b> |
|--|--|
| Started to date: 639,906   | Started to date: 850,563                     |
| Average started per month: 12,745  | Average started per month: 34,5702           |
| Completed to date: 597,810   | Submitted to date: 560,097                   |
| Average completed per month: 11,986  | Average completed per month: 22,669          |
| Number of households found potentially eligible for at least one program: 577,300                                      | Full applications: 522,362                   |
| Percentage of households who completed the screener that were found potentially eligible for at least one program: 97% | Applications with just filing date: 37,735   |

The target efficiency of ACCESS could as well be enhanced by designing the system to steer applicants through greater utilization of an eligibility pre-screen. DHS reports that the “Am I Eligible” module was developed as a short, simple and anonymous self-assessment at the urging of potential users. It currently asks only basic, generalized questions about household members, and it prompts users to use just their first name or initials and age (not date of birth). The data are not transferrable to the “Apply for Benefits” module. DHS is concerned that the screener would be less inviting and would lose simplicity and brevity if were reformatted for mapping to subsequent online application.

Overall, we found that the ACCESS tool does successfully attract more applicants into the FoodShare program. However, it appears to do so at a cost of declining specificity and target efficiency. The extent to which this trade-off is worthwhile depends on the marginal cost associated with processing additional applicants. If most applicants can be handled inexpensively through automated systems, then the decline in target efficiency will be offset by the benefits seen in increased enrollment. If, however, the marginal cost of each ineligible applicant raises the overall average costs per enrolled case, some system adjustments may be merited. Again, target-efficiency may improve by adjusting the system to encourage online applicants to complete an eligibility screener prior to submitting an application.

**Figure D: Eligible Spillovers by BadgerCare Plus Application Method**  
 Percent of Health Care Households who Applied for Health Care and FoodShare who were found Eligible for FoodShare by Method of Application (First Application for Household Only)



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