

# CORE Brief

## Wisconsin Family Planning Only Services Program

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### Federal Medicaid family planning policy

Medicaid is the leading source of public financing for family planning services to low-income women.<sup>1</sup> Under the Medicaid program, family planning is mandatory.<sup>2</sup> However, the guidelines do not define which specific services must be provided and instead broadly mandate services that “aid those who voluntarily choose not to risk an initial pregnancy” and support pregnancy spacing.<sup>3</sup> Therefore, states have discretion in determining which services and supplies are included in the family planning program, which results in wide variability between states.<sup>4</sup> The federal government reimburses 90% of a state’s costs for providing family planning services to low-income women, compared to the standard 59% federal match for most other Medicaid services.<sup>5</sup> This generous funding serves as an incentive for states to make coverage as broad as the state can manage. While states cover the remaining 10% for family planning programs, healthcare providers and pharmacies are prohibited from cost-sharing with patients for family planning services.<sup>6</sup>

### Medicaid family planning waiver programs

Section 1115 waivers, approved by Centers for Medicare and Medicaid Services (CMS) in the 1960s, give states flexibility to waive certain Medicaid rules to design innovative systems to grow and improve their state-specific Medicaid programs, also called “special demonstration programs”.<sup>7</sup> The waivers allow states to establish programs that offer Medicaid eligibility for a limited scope of services or to a specific population. Subject to the federal government’s evaluation of effectiveness and budgetary rules, a waiver program must be budget neutral and is at the discretion of the current federal administration’s priorities. In other words, the programs must not cost the federal government any more than they would have compensated the state without the change. Based on changing priorities from one administration to another, waivers reflect the politics of federal administrations.<sup>8</sup>

Several states operate through a waiver to offer family planning services to people of reproductive age who do not qualify for full Medicaid benefits.<sup>9</sup> In 2011, at least 3.5 million women ages 15 to 49 obtained Medicaid-coverage family planning services through family planning waivers.<sup>10</sup> Although instrumental in expanding access for family planning services, the waiver program requires that states must renew them every five years, posing a significant administrative burden on states.<sup>11</sup> Evaluations have shown that family planning waiver programs are cost-effective and successful in improving public health outcomes.<sup>12</sup> After more than 20 years of operating as demonstration programs, the waivers in many states are now functioning as safety net family planning programs.<sup>13</sup>

In response to the success of family planning waivers and their administrative challenges, the Affordable Care Act included a provision allowing states to permanently amend their state Medicaid plans, avoiding federal renewal.<sup>14</sup> Many states jumped at this opportunity, called State Plan Amendments (SPA), and converted their waiver programs to SPAs. Moreover, some states broadened family planning services in the SPA beyond what was included under their waiver.<sup>15</sup> Currently, 25 states offer family planning services through an SPA or waiver, to individuals not otherwise eligible for Medicaid.<sup>16</sup> As of August 2019, 15

states operate their programs through an SPA; 10 states operate their programs under a waiver from the federal government.<sup>17</sup>

For family planning SPAs, eligibility is based solely on income. However, the threshold for income eligibility varies by state.<sup>18</sup> States structure their waiver programs differently, although most choose to also base eligibility solely on income (out of the 10 states that operate family planning waivers, 7 of them base eligibility solely on income). However, like the family planning SPAs, waiver income eligibility thresholds also vary by state.<sup>19</sup> As of August 2019, the 22 states that provide either an SPA or waiver to individuals based solely on income set the income ceiling at or near 200% of the federal poverty level (FPL).<sup>20</sup>

Of the 25 states that offer family planning services through an SPA or waiver to individuals not otherwise eligible for Medicaid:

- Two states provide the benefit for women losing full-benefit Medicaid coverage when their post-partum period ends.
- One state provides the benefit for women losing full-benefit Medicaid coverage for any reason.
- 19 states provide family planning services to both men and women.
- 21 states offer benefits to individuals younger than 19 years old.

In 2003, Wisconsin implemented a family planning waiver, called the Wisconsin Family Planning Waiver.<sup>21</sup> Wisconsin statutory authority defining the Family Planning Waiver Program is provided in the archival section [s 49.45 \(24r\)](#) of the Wisconsin Statutes.<sup>22</sup> Immediately following the initial passage of the waiver in 2003, approximately 50,000 individuals qualified and signed up.

In 2008, Wisconsin applied for and received an SPA, called Family Planning Only Services (FPOS). FPOS is slightly different from its successor Wisconsin Family Planning Waiver.<sup>23,24,25</sup> The main modification was extending the cut off of eligibility from 185% at or below the FPL to 306%, including the standard “disregard” to an applicant’s income equal to five percentage points of the federal poverty level.<sup>26</sup>

### **FPOS eligibility and benefits**

FPOS specifically covers healthcare related to family planning and care within a family planning office visit for individuals with income up to 306% of the FPL.<sup>27</sup> Eligible participants must:

- Be a U.S. citizen or qualifying immigrant
- Be a Wisconsin resident
- Be of reproductive age
- Earn income at or below \$3,184.94/month or (306% of the FPL)
- Not be eligible for Medicaid or BadgerCare Plus (the state medical assistance program which provides services to children, parents, and childless adults in low-income households).<sup>28</sup>

Both men and women are eligible for FPOS, as are minors. Only the applicant’s income is counted (that is, the income of the applicant’s spouse is not counted), and for minors, parents’ income is not counted.<sup>29</sup> FPOS also contains an eligibility ceiling that “disregards” an applicant’s income equal to five percentage points of the set FPL.<sup>30,31</sup> Additionally, if applicants need services immediately and they meet enrollment criteria, they can temporarily enroll through Express Enrollment that lasts 14 days.<sup>32</sup> For applicants

younger than 18 years old, guardians will not be contacted and minors will not be referred to a Child Support Agency.

Compared to other states, Wisconsin has the most inclusive plan, including both men and women and incomes up to 306% of the FPL. For example, both California's and Minnesota's SPA includes both men and women of reproductive age, but their income cap is 200% of the FPL. New York's SPA also includes both men and women but has an income cap of 223% of the FPL. Michigan and Illinois have neither an SPA nor a waiver. Texas does not have a waiver or an SPA. However, it does have a state-funded program that excludes men as well as individuals younger than 18 years old and is based solely on income criteria of 185% above the FPL.

In Wisconsin, an example of a covered service is a pap test but only if it is completed during a family planning office visit. Other services, such as contraceptives, routine preventative primary services, tests and treatment for sexually transmitted infections, and voluntary sterilizations for women and men 21 years old or older, are covered if they are provided at an initial, yearly, or follow-up family planning-related office visit.<sup>33</sup> Allowable procedural codes covered under FPOS can be found [here](#).<sup>34</sup> Note that FPOS does not cover hysterectomies.

### **FPOS purpose**

The author was not able to obtain or identify official documentation of FPOS's purpose nor specific objectives. However, a 2008 evaluation provides documentation of the Wisconsin Family Planning Waiver's purpose, specifically: to reduce unintended pregnancies for women of reproductive age, reduce unintended birth related costs, and to improve overall reproductive health.<sup>35</sup> Figure 1 provides further details.

Figure 1: Wisconsin Family Planning Waiver program objectives

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| <p>Objective 1: Increase the use of family planning services among women of childbearing age who would not be Medicaid eligible in the absence of the Family Planning Waiver Program.</p> <p>Objective 2: Reduce the rate of unintended births among Wisconsin females, including teenagers, with incomes at or below 185% FPL.</p> <p>Objective 3: Reduce or prevent an increase in Wisconsin's teen pregnancy rate.</p> <p>Objective 4: Support a birth interval of 24 months or longer between a first and second birth for Wisconsin women participating in the Family Planning Waiver Program, as recommended by public health policy for maternal and infant health.</p> <p>Objective 5: Support other family planning programs under Title V and Title X by allowing more of these funds to be allocated for outreach and education, as well as for more affordable services to other clients with incomes between 185% and 250% FPL.</p> <p>Objective 6: Work with family planning providers and other stakeholders to provide ongoing outreach about the need for family planning services, the effects of unintended pregnancies, and the availability of the Family Planning Waiver Program.</p> <p>Objective 7: Improve the reproductive health of low-income women by providing reproductive medical services.</p> <p>Objective 8: Facilitate primary health care referrals through encounters with Family Planning demonstration program providers.</p> <p>Objective 9: Reduce birth-related costs paid by Medicaid compared to the costs that would have been expected in the absence of the program.</p> |
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Source: Swart and Cochran 2008.<sup>36</sup>

## How FPOS works

Applicants apply in-person, by mail, phone, or online. For applicants younger than 18 years old, guardians will not be contacted, and minors will not be referred to a Child Support Agency.

Once individuals have been enrolled, clinics and healthcare entities bill FPOS for services described above. Healthcare providers are required to follow [state rules](#) on how to submit claims.<sup>37</sup>

## FPOS enrollment and benefit costs

FPOS enrollment and benefit costs from January 2003-2019 are published by the Wisconsin Legislative Fiscal Bureau. Table 1.4 below provides average monthly enrollment for medical assistance programs by fiscal year, comparing FPOS enrollees to enrollment in other medical assistance programs. Table 1.5 shows total and average benefit costs by eligibility group, illustrating the cost of FPOS compared to the cost of other medical assistance programs. Enrollment numbers and benefit costs from 2008 to 2012 are available [here](#).<sup>38,39</sup>

<b>Table 1.4: Average Monthly Enrollment in MA and MA-Related Programs, by State Fiscal Year</b>				
	2014-15	2015-16	2016-17	2017-18
<b>BadgerCare Plus</b>				
Children	470,110	469,558	466,576	461,841
Parents and Caretakers	179,146	175,930	169,917	162,795
Pregnant Women	21,189	21,081	20,759	20,401
Childless Adults	<u>144,488</u>	<u>149,049</u>	<u>146,263</u>	<u>148,942</u>
<b>Total BadgerCare Plus</b>	814,934	815,618	803,515	793,979
% Change		0.1%	-1.5%	-1.2%
<b>Elderly, Blind and Disabled (EBD)</b>				
Elderly (Disabled and Non-Disabled)	61,621	63,008	64,572	66,178
Disabled Non-Elderly Adults	135,832	136,522	137,975	138,904
Disabled Children	<u>31,689</u>	<u>31,917</u>	<u>31,838</u>	<u>31,437</u>
<b>Total EBD</b>	229,142	231,447	234,385	236,519
% Change		1.0%	1.3%	0.9%
<b>Other Full Benefit Groups</b>				
Foster Children	17,738	18,667	19,620	20,308
Well Woman MA	798	655	592	572
<b>Total Full Benefit MA</b>	1,062,612	1,066,387	1,058,111	1,051,378
% Change		0.4%	-0.8%	-0.6%
<b>Limited Benefit Groups</b>				
Family Planning Only Services	45,515	39,387	37,658	38,540
Medicare Cost Sharing Beneficiaries	21,980	21,915	22,101	23,297
<b>Total MA Enrollment</b>	1,130,107	1,127,689	1,117,870	1,113,215
% Change		-0.2%	-0.9%	-0.4%

Source: Wisconsin Legislative Fiscal Bureau 2019.<sup>40</sup>

**Table 1.5: 2017-18 Total and Average Benefit Cost by Eligibility Group**

	Total Cost	Average per Member Cos
<b>Elderly, Blind, and Disabled</b>		
Elderly	\$1,850,437,400	\$27,962
Non-Elderly Adults	2,957,223,700	21,290
Disabled Children	<u>496,148,200</u>	15,783
EBD Total	\$5,303,809,300	22,425
<b>BadgerCare Plus</b>		
Children	\$898,556,700	\$1,946
Parents	728,154,500	4,473
Pregnant Women	215,024,600	10,540
Childless Adults	<u>985,545,100</u>	6,617
BadgerCare Plus Total	\$2,827,280,900	3,561
<b>Other Groups</b>		
Foster Children	\$119,413,600	\$5,880
Well Woman	9,523,700	16,655
Family Planning Only Waiver	17,443,700	453
Medicare Savings Programs for Dual Eligibles	44,384,600	1,905

Source: Wisconsin Legislative Fiscal Bureau 2019.<sup>41</sup>

## Outcomes

There are no publicly available reports of FPOS reach or outcomes. The most recent publicly available data regarding the outcomes of Wisconsin's Medicaid family planning program is an evaluation of the Wisconsin Family Planning Waiver program from its inception in 2003 through 2007.<sup>42</sup> Key findings from the evaluation show that the overall fertility rate for reproductive age women on Medicaid with incomes at or below 185% FPL did not change and in some years increased after implementation of the Wisconsin Family Planning Waiver. However, the birth rate for Wisconsin women aged 15 through 19 on Medicaid with incomes at or below 185% FPL dropped significantly in 2002, before the Wisconsin Family Planning Waiver was implemented, and then dropped sharply again in 2003, after the Wisconsin Family Planning Waiver was implemented.<sup>43</sup>

Additionally, the birth rates for teen Wisconsin Family Planning Waiver recipients were substantially lower than the birth rates of all Wisconsin teen women from 2003-2006 (teens who were not covered by the Wisconsin Family Planning Waiver or Medicaid).<sup>44</sup> While Wisconsin's teen pregnancy rate was decreasing prior to implementation of the Wisconsin Family Planning Waiver in 2003, it continued to decrease through 2004 and was relatively stable from 2004 through 2006.<sup>45</sup>

Moreover, participation in the Wisconsin Family Planning Waiver did not have an impact on the length of the birth interval for reproductive age women on Medicaid with at least two births. However, the evaluation recommends that this analysis be repeated when more than three years of observations are available.<sup>46</sup> Finally, this evaluation estimated that the Wisconsin Family Planning Waiver program averted a



significant number of unintended births that would have been expected in the absence of the waiver and saved an estimated \$487 million (in 2006 dollars) in Medicaid expenditures from 2003 through 2006..<sup>47</sup>

## Possible upcoming changes

There may be changes to FPOS within the next year. In May 2019, the federal Office of Management and Budget issued a notice requesting comment on a proposal to use a lower inflation measure to calculate annual adjustments to the federal poverty line..<sup>48</sup> Lowering the poverty line would cut billions of dollars from federal health programs and cause millions of people to lose their eligibility from these programs..<sup>49</sup> In Wisconsin, eligibility for FPOS is based on income relative to the FPL, therefore, the proposed change would cause people to lose coverage for these services..<sup>50</sup>

Waivers generally reflect priorities identified by states and CMS and often reflect changing priorities from one administration to another. In November 2017, CMS, under the Trump administration, posted revised criteria for Section 1115 waivers that no longer include the goal of increasing coverage, as in prior administrations. In January 2018, CMS posted new guidance to allow state Section 1115 waiver proposals to condition Medicaid on meeting a work requirement and subsequently has approved the first waivers of that type in the history of the Medicaid program..<sup>51</sup> While a work requirement has been added to Wisconsin's Medicaid eligibility, these new rules have not yet touched Wisconsin's FPOS program..<sup>52</sup> Evidently, it is valuable to acknowledge that this is the direction CMS and Wisconsin are headed. Furthermore, CMS is allowing Wisconsin to condition Medicaid coverage on the completion of a health risk assessment..<sup>53</sup> While this waiver will not affect the FPOS program at this time, it could in the future.

Additionally, media outlets have reported that CMS may be working to release new waiver guidance to states on Medicaid block grants/aggregate spending caps in exchange for unspecified additional state flexibility and autonomy..<sup>54,55</sup>

## References

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<sup>1</sup> Kaiser Family Foundation. Medicaid's role for women; March 2019. Available at <https://www.kff.org/womens-health-policy/fact-sheet/medicaids-role-for-women/>.

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<sup>3</sup> Centers for Medicare & Medicaid Services. The state Medicaid manual pub 45; ch 4 sec: 4270. Available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Paper-Based-Manuals-Items/CMS021927.html>.

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<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ranji U, Bair Y, Salganicoff A. Medicaid and family planning: background and implications of the ACA. Kaiser Family Foundation; 2016. Available at <https://www.kff.org/report-section/medicaid-and-family-planning-medicare-family-planning-policy/>.

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<sup>9</sup> Ibid.

<sup>10</sup> Ranji 2016.

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- <sup>11</sup> Ibid.
- <sup>12</sup> Ibid.
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<sup>44</sup> Ibid.

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<sup>46</sup> Ibid.

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<sup>54</sup> Hinton 2019.

<sup>55</sup> Ibid.