

BadgerCare Expansion Background and Talking Points

The history Medicaid expansion in Wisconsin

BadgerCare Plus, the state’s largest Medicaid program, covered 148,156 adults without dependent children in September 2018. Medicaid is funded by both federal and state tax dollars. Currently for Medicaid, Wisconsin pays approximately 42% of the total cost.

When the Affordable Care Act (ACA) came into being, it also provided and funding incentive for states to expand health insurance coverage for low- income adults who have income below 138% of the federal poverty level (FPL). That part of the ACA gave Wisconsin a great opportunity to close a very large gap in BadgerCare – coverage for “childless adults” (adults who aren’t custodial parents of a dependent child).

However, instead of expanding BadgerCare to 138% of FPL for all adults and qualifying for almost full federal funding for covering low-income childless adults, state lawmakers decided in 2013 to partially expand coverage for childless adults (up to 100% of FPL) and to offset part of the cost by cutting in half the BadgerCare eligibility limit for parents (from 200% to 100% of FPL). It was reasoned that the ACA would adequately cover those people above 100% of FPL.

Wisconsin’s approach was unlike any other state. It cost millions of dollars more per year to administer (\$1.1 billion total through this fiscal year, June 2019) and forced approximately 80,000 low income people to look to the ACA for coverage.

Instead of covering adults with incomes up to 138 percent of the FPL, or \$16,753 this year, Wisconsin chose to only cover adults up to 100 percent of the FPL, or \$12,140.

Federal Poverty Limits for 2019

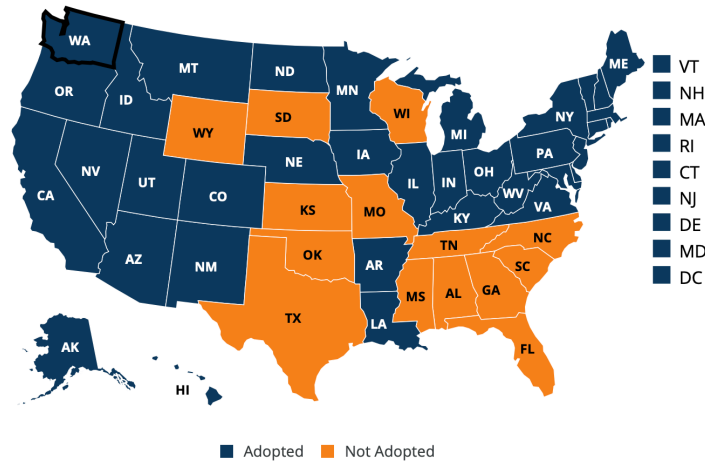
FEDERAL POVERTY GUIDELINES (COVERAGE YEAR 2019)							
# in Household	100% FPL	138% FPL	150% FPL	200% FPL	250% FPL	300% FPL	400% FPL
1	\$12,140	\$16,753	\$18,210	\$24,280	\$30,350	\$36,420	\$48,560
2	\$16,460	\$22,715	\$24,690	\$32,920	\$41,150	\$49,380	\$65,840
3	\$20,780	\$28,676	\$31,170	\$41,560	\$51,950	\$62,340	\$83,120
4	\$25,100	\$34,638	\$37,650	\$50,200	\$62,750	\$75,300	\$100,400
5	\$29,420	\$40,600	\$44,130	\$58,840	\$73,550	\$88,260	\$117,680
6	\$33,740	\$46,561	\$50,610	\$67,480	\$84,350	\$101,220	\$134,960
7	\$38,060	\$52,523	\$57,090	\$76,120	\$95,150	\$114,180	\$152,240
8	\$42,380	\$58,484	\$63,570	\$84,760	\$105,950	\$127,140	\$169,520

For households with more than 8, add \$4,320 for each additional person.
Note: Eligibility for premium tax credits in coverage year 2019 is based on poverty guidelines for 2018. FPL = federal poverty line.
Source (plus Hawai'i and Alaska guidelines): aspe.hhs.gov/poverty-guidelines

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What other states have done

To date, 72% of states (36 states) including DC have adopted the Medicaid expansion and 14 states have not adopted the expansion.



The popularity of Medicaid Expansion in Wisconsin

In 2014, 20 municipalities held advisory referendums on the question of whether Wisconsin should accept the federal funds for BadgerCare. Over 1 million Wisconsinites voted, with 73% saying YES to accepting the federal funds.

How BadgerCare expansion will benefit Wisconsin (moral arguments)

- BadgerCare expansion will increase health care access to workers who aren't offered health insurance through their jobs and cannot afford the cost of premiums or out of pocket costs
- BadgerCare expansion will provide access to healthcare for people who fall on hard times because they
 - lose their job due to cancer, other serious illnesses or downsizing
 - can't work - must care for an ailing parent or a sick child
- BadgerCare expansion will offer financial protection for working families so that they do not have to go bankrupt when faced with an unexpected illness requiring a hospital stay or a child with special needs like autism.

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How the BadgerCare expansion will benefit Waukesha County

Accepting Medicaid expansion will provide BadgerCare to 80,000 more people statewide according to the Legislative Fiscal Bureau. This will directly affect over 2,200 people in Waukesha County.

The direct benefits are

- A healthier workforce
- Greater worker availability
- More healthcare jobs
- Relief for free clinics
- Lower health insurance rates.
- More state funding for programs that treat drug abuse and other health problems the county struggles with

Countering Objections

Refer to separate document.