

Why Medicaid Matters

Medicaid is a jointly funded federal-state program that provides critical support and services to over 1 million children and adults in Wisconsin. Approximately 1 of every 5 Wisconsinites rely on Medicaid in some way to access health care or other services that allow them to live in their homes and communities instead of more expensive institutions, such as nursing homes.

Without Medicaid, many of our family members and neighbors would not be able to access crucial health care and other supportive services that allow them to work, live productive lives in our communities, and stay healthy. Many of the people and services covered by Medicaid would not be economically feasible for private insurance to cover, such as long-term care services for older adults or children with disabilities

Medicaid also provides important financial support for safety-net clinics and community hospitals that provide a disproportionate amount of medical care to members of low-income communities who, without Medicaid, otherwise would receive costly, often uncompensated care from other hospitals.

Attempts to Undermine Medicaid

There are several, ongoing attempts to undermine or cut the Medicaid program at both the federal and state level. Given the importance of Medicaid to our families, communities, and the health care system as a whole, any attempt to weaken this crucial program is alarming. Current political threats to Medicaid include:

Federal Cuts to Medicaid through Repeal of the Affordable Care Act or Other Measures

Congress is currently considering several proposals to repeal or significantly weaken the ACA. Many proposals include dramatic changes to Medicaid funding that would significantly undermine the ability of those who rely on Medicaid for health care to access the care they currently receive. The federal government could also make changes to Medicaid through the federal budget or through the administrative rules process.

Proposed Changes to Wisconsin's Medicaid Program

The 2015-2017 state budget set the wheels in motion for potentially drastic changes to Wisconsin's Medicaid program for childless adults (BadgerCare) that, if implemented, would likely harm beneficiaries. Under the previous budget, the Wisconsin Department of Health Services (DHS) is required to apply for a waiver from the federal Department of Health and Human Services (HHS) that would allow Wisconsin to implement all of the following changes in regard to childless adults receiving BadgerCare:

- Require enrollees to pay monthly premiums and if they fail to do so, disenroll them from BadgerCare
- Require enrollees to get a health risk assessment and impose higher premiums on enrollees who engage in behaviors that increase their health risks
- Limit eligibility for BadgerCare to no more than 48 months
- Require a drug screening assessment and, if indicated, a drug test as condition for eligibility
- In addition, the proposed 2017-19 budget also includes a requirement that DHS apply for a waiver to require childless adult BadgerCare recipients to either be working or participating in a work training program.

Experience in Wisconsin and other states indicates that charging low-income people health care premiums or enforcing work requirements causes many people to lose their coverage because they simply cannot afford to pay or they have other barriers to employment, such as mental illness, addiction, drivers licenses that have been suspended for failing to pay fines, and lack of child care. The proposed eligibility time limits and drug screening requirement will only compound this coverage loss.

List of populations & services covered by Medicaid:

- Long-term care services for older adults & people with disabilities
- Pregnancy related care for low-income, pregnant women
- Health care for children living in low-income families
- Health care for low-income, childless adults, many of whom have low-wage job
- Prescription drug costs for lower-income older adults
- Mental health care services

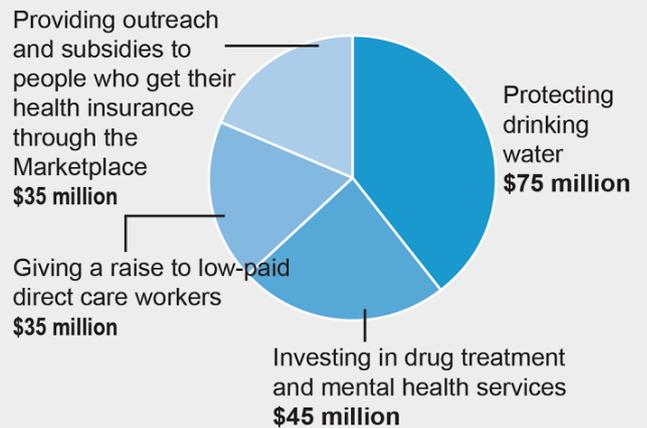
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A Better Way: Expand & Strengthen Wisconsin's Medicaid Program

State and federal leaders should be looking for ways to strengthen Medicaid and make it more inclusive, not undermine Medicaid's longstanding promise to be a safety net for many of our communities' most vulnerable citizens. One effective way to do so is for states to expand Medicaid under the Affordable Care Act (ACA). This is a particularly appealing option for Wisconsin, as a recent Legislative Fiscal Bureau (LFB) analysis projects that Wisconsin could save \$190 million per year and provide health coverage to approximately 80,000 Wisconsinites by expanding eligibility for BadgerCare to 138% of the federal poverty level (FPL) and accepting the federal financing that would cover 90% or more of the cost of providing BadgerCare coverage to childless adults. So far, Wisconsin has declined this opportunity.

Expanding BadgerCare Would Allow Investments in Health and Workforce

Wisconsin could save \$190 million a year by expanding BadgerCare. Here are some ways to invest that money.



Efforts to Undermine the ACA Make it More Critical to Expand BadgerCare

Should ongoing federal attempts to undermine the individual health insurance Marketplace through legislation or administrative action or inaction succeed, Wisconsin will be particularly hard hit. In 2014, Wisconsin state policymakers moved more than 60,000 Wisconsinites off BadgerCare – largely based on the Governor's argument that they could get their coverage through the federal Marketplace created by the ACA. Should federal efforts to undermine the Marketplace succeed, it would be a cruel blow to those former BadgerCare participants, many of whom would no longer have any meaningful access to care if the Marketplace collapses. The state could significantly mitigate the problems created by federal attempts to undermine the ACA Marketplaces by expanding BadgerCare to adults up to 138% of the poverty level.

If funding for Medicaid expansions is continued and if the federal government significantly undermines the Marketplace, then state lawmakers need to expand BadgerCare in order to protect vulnerable families, prevent an increase in uninsured Wisconsinites, and head off a surge in uncompensated care..

Additional Resources

Visit Wisconsin Health Matters at www.wihealthmatters.org for more information regarding Wisconsin's Medicaid program, the communities it affects, and legislative proposals that could impact Medicaid.