



WISCONSIN COUNCIL ON
**children
& families**

Raising Voices to Make Every Kid Count



The Future of Medicaid in Wisconsin

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In Wisconsin, Medicaid Covers:

17 %
of the
Population



1 in 7 Adults



1 in 3 Children



2 in 5
Low-Income
Individuals



3 in 5
Nursing Home
Residents



1 in 2
People with Disabilities

80%
of Medicaid
recipients in
Wisconsin are
part of working
families

Governor's Budget:

Positive Proposals

- \$16 million increase in state funds to eliminate the waiting list for long-term supports for children with developmental disabilities, physical disabilities and severe emotional disturbance
- \$1 million increase to expand the Child Psychiatry Consultation Program
- Over \$6 million for School Mental Health Initiatives to help increase access to mental health services - includes increasing the availability of social workers in schools

Governor's Budget:

Positive Proposals (cont.)

- \$1.2 million in state funding to establish a children's crisis treatment and stabilization facility
- Updates the definition of lead exposure and increases the reimbursement for lead investigations
- \$27 million in funding to support a 2% per year increase in rates for personal care workers and nursing home providers

Governor's Budget: Work Requirements for BadgerCare Enrollees

Directs DHS to seek a federal waiver that could require work or participation in training to be a condition of eligibility for BadgerCare.

Advocates are very concerned that such a requirement would:

deny access to essential health care services for many people who face challenges that keep them from maintaining steady employment, such as mental illness, addiction, or drivers license suspensions.

Medicaid Waiver Proposals

On April 19, DHS released a draft proposal for a number of federal Medicaid waivers that would change BadgerCare for childless adults:

- Drug screening and testing for applicants;
- Premiums for all participants, regardless of income;
- A 48-month time limit for BadgerCare eligibility.
- Co-pays for use of emergency rooms.

DHS is accepting comments on these proposals until May 19. After DHS submits formally its waiver request, there will be a period of 30 days to comment to federal officials.

Medicaid Waiver – Objectives

The stated objectives include:

- Reducing the uninsured rate
- Helping more people participate in the workforce
- Making Medicaid coverage more like commercial insurance
- Helping more Wisconsinites become independent, so they rely less on Government assistance.

Waiver Proposals: Drug Testing for MA Applicants

- Screen childless adults applying for Medicaid with questions about illegal drug use and actually test some of them for it.
- Refusing the test will mean the applicants go at least six months without state coverage.
- If they test positive, the individuals could receive treatment.

Waiver Proposals:

Premiums for almost all childless adults

- **Charge sliding scale premiums of \$1 to \$10 a month for single adults making \$2,533 to \$12,060 a year. Six-month suspension of eligibility for failure to pay.**
 - 21-50% of FPL -- \$1 per month
 - 51-80% of FPL -- \$5 per month
 - 80 -100% of FPL -- \$10 per month
- **Reduce premiums for recipients who complete a health risk assessment and who don't engage in risky behaviors such as smoking, obesity, illegal drug use, not using seat belts and alcohol abuse.**

Waiver Proposals:

BadgerCare time limit for childless adults

Limit the amount of time on Medicaid for able-bodied workers between 19 and 49 years old to 48 months.

- After that they would lose coverage for six months.
- The time clock doesn't tick if they are working or getting job training at least 80 hours a month.

House Repeal and Replace Plan (AHCA)

Initial Congressional Budget Office estimate:

- 14 million more people would be uninsured, the 1st year, & 24 million after 10 years;
- 7 million fewer people would have employer sponsored insurance; and
- 14 million fewer people would be covered by Medicaid.

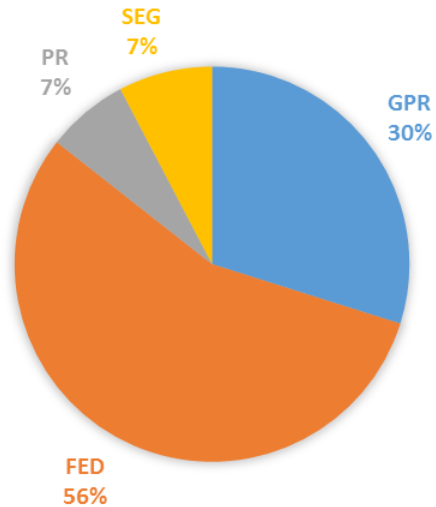
House Repeal and Replace Plan (continued)

Would roll back the Medicaid expansions, and would also change the fundamental nature of Medicaid by putting arbitrary limits on spending increases

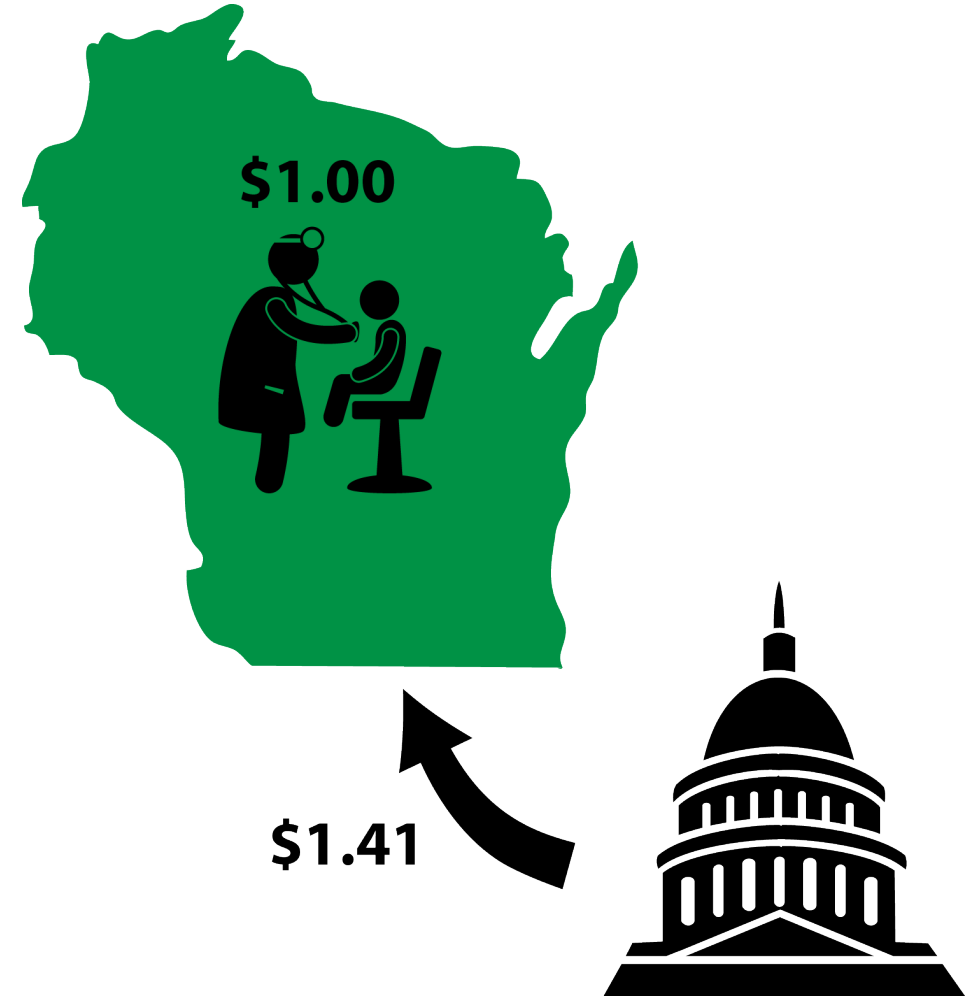
- These changes would cut federal Medicaid spending by \$880 billion over 10 years – including \$1 billion in WI.
- This would gradually result in the rationing of Medicaid spending.

Medicaid Today: How Does the Funding Work?

MEDICAID SPENDING IN WISCONSIN BY FUND SOURCE, 2015-16



- Wisconsin and the federal government share expenses for the state Medicaid program, with the federal government paying almost three-fifths of total costs.



Proposals to cap growth in Federal Medicaid \$s

Under GOP plan to “repeal and replace” the ACA, states would have to choose either:

- A Medicaid block grant (i.e., a preset amount of funding) each year; or
- An amount that is capped based on an average amount per participant.

Either option will gradually result in substantial spending cuts and rationing of Medicaid services.

Questions?



Thank You!

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