

Protect Children and Their Families by Expanding BadgerCare

Our Request: Accept federal funding through the Affordable Care Act and increase eligibility for BadgerCare to 138% of the federal poverty level.

The weak you have not strengthened, the sick you have not healed, the injured you have not bound up . . . Ezekiel 34:4

Too many Wisconsinites – adults and children -- still do not have access to quality, affordable health care.

The state budget is a moral document. It shows what is important to us as a state, what our values are, where our priorities lie, what sort of a future we want. Making sure that children have what they need to grow up healthy is a fundamental moral obligation for any society.

By accepting funding through the Affordable Care Act (ACA), Wisconsin could expand BadgerCare to about 80,000 more low-income Wisconsinites. In addition, we would save at least \$160 million per year in state tax dollars, and free up funding to make vital investments in the health of Wisconsin's children, their families, and their communities.

Expanding BadgerCare with federal funding would:

Prevent financial hardships for low-income working adults and families – The Legislative Fiscal Bureau estimated that about 80,000 additional adults would be covered by BadgerCare if eligibility is increased to 138% of the federal poverty level (FPL), which is about \$29,435 for family of 3. Although those low-income adults are typically eligible for either employer-sponsored insurance or subsidized plans through the Marketplace created by the ACA, many of them cannot afford the premiums or other cost-sharing. Many parents who lost their previous BadgerCare coverage are enduring substantial financial hardships to purchase private coverage.

Help the 50,000 kids who still don't have health insurance. You wouldn't necessarily think that expanding coverage for parents helps kids, but it does. Research shows that when parents have insurance their kids are more likely to be insured. Knocking tens of thousands of parents out of BadgerCare in 2014 resulted in a sharp drop in enrollment of kids above the poverty level. Wisconsin was once a national leader in coverage for children, but other states are surpassing us because they decided to fully expand Medicaid.

Reduce insurance coverage disparities between white people and people of color–

Implementation of the ACA resulted in significant coverage gains among all Wisconsinites, regardless of race or ethnicity, but coverage rates for people of color still lag behind white people. Despite gains, Latinx and Native Americans still have high uninsured rates. Fully expanding Medicaid would substantially increase coverage for people under 138% of FPL and would lead to more adults and children of color being covered, especially among Latinx Wisconsinites, who are uninsured at rates three times higher than white people.

Improve access to important preventative care and save lives. Reducing the number of people without insurance enables far more people to get preventative care, which makes our health care system run more smoothly and be more cost effective. States that have extended Medicaid coverage to more adults have seen fewer deaths—especially those caused by disease, accidents, injuries, and drug abuse.

Help ensure stable coverage for more low-income parents. When state lawmakers cut the BadgerCare income limit for parents from 200% of FPL to just half of that, they justified that decision on the basis that those adults could potentially buy subsidized insurance plans through the federal Marketplace. However, changes that threaten the viability of the Marketplace would mean that an even larger number of the 60,000 people who lost BadgerCare eligibility in 2014 are at risk of becoming uninsured. Expanding BadgerCare to 138% of FPL would significantly reduce the number of parents and children at risk of losing their access to affordable health insurance.

Save hundreds of millions of tax dollars per year. A September 2018 Legislative Fiscal Bureau analysis concluded that covering adults to 138% of FPL and accepting the full federal funding would yield a net savings for state taxpayers of about \$185 million per year. By failing to qualify for the increased federal funding, we've unnecessarily spent more than \$1 billion in state tax dollars since 2014 to cover a lot fewer people.

Reduce the cost of uncompensated care by reducing the number of people without insurance. Many of the nearly 80,000 adults who could be in BadgerCare are uninsured because of Wisconsin's choice not to take federal funding. That significantly increases the uncompensated care delivered by hospitals. The Governor included \$30 million of state funding in each of his last two budgets to help hospitals, but fully expanding BadgerCare is the better, cheaper answer. Because the ACA brought insurance to more people the cost of uncompensated care dropped substantially in Wisconsin, but hospitals in states who fully expanded Medicaid have enjoyed even larger savings.