

## Advocate Piece – BadgerCare Expansion

### Background

Legislative Fiscal Bureau reports evaluating recent budget proposals have shown that Wisconsin would benefit financially from BadgerCare expansion, in addition to increasing the number of people who would receive coverage. In this pandemic, we relearned the fragility of health insurance tied to employment and the high cost of COBRA coverage. Expanding BadgerCare is cost-efficient and fiscally responsible as increasing federal match rates will save Wisconsin taxpayers money. The additional revenue can be spent strengthening public health systems and healthcare systems across Wisconsin.

### History

Medicaid expansion has been a point of partisan conflict in Wisconsin. State Republicans rejected the Affordable Care Act (ACA) and continue to reject expansion proposals and funding. In 2017, the Section 1115 BadgerCare Reform Demonstration Waiver was approved. This waiver allows Wisconsin to provide Medicaid coverage for childless adults. In 2020, the Wisconsin Department of Health Services (DHS) submitted an amendment for approval to establish and implement a savings account program for BadgerCare Plus childless adults that is similar to health savings accounts.

### Policy Solutions

AARP Wisconsin has supported full BadgerCare expansion to cover more Wisconsinites and to provide more services since the possibility was first proposed. Wisconsin created a unique system which does cover everyone up to 100% of poverty. It is very expensive since the state pays for people who might otherwise be covered under expansion and that plan denies coverage to the people from 100% of poverty to 138% of poverty. Accepting full expansion would add eligibility for coverage for approximately 90,000 people.

### The Governor's Budget

The Governor's budget accepts full Medicare expansion. It moves Wisconsin to a state marketplace from a federal one, and provides additional subsidies to people between 138% of poverty and 250% of poverty. It also allows for a public option in the marketplace. The budget proposes investing the extra money from the federal government and the General Purpose Revenue (GPR) saved to expand mental health services/public health services and raise provider reimbursement. The budget also allocates money to fund navigators to help people access healthcare coverage.

### Talking Points

- An additional 90,000 people could be covered under BadgerCare if Wisconsin accepts full expansion.
- More options for affordable health care would be available to Wisconsinites if ACA plans were available.

- GPR revenue current used to fund BadgerCare could be replaced by federal dollars.
- Additional match money could be obtained which would fund additional health services such as mental health services.
- Wisconsin has very poor provider reimbursement rates for care provided under Medicaid. The additional revenue could improve the reimbursement rates and encourage more providers to accept Medicaid.
- This is not welfare. All but 12 states have accepted MA expansion. It is making health care available to many people who currently are uninsured or underinsured.