

Policy Title: Medicaid Expansion

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Brief Description

- Realize full Medicaid expansion under the ACA to capture the enhanced FMAP to cover “newly eligible adults” with incomes up to 133% of the poverty rate. In 2020 the FMAP was 90% while the current FMAP in Wisconsin is approximately 59%. Newly eligible adults (non-disabled adults aged 19-64) are defined as those who were not covered by the state at the time of the passage of the ACA.

Analysis

- Anticipated Benefits
 - Statistics show that our population is aging and more people will require care services in the future. In addition, we are facing a caregiver workforce shortage where the gap between people the number of people needing services and the number of available caregivers is widening. The main reason for the direct care workforce shortage are low wages and lack of benefits. A key benefit that caregivers need is health insurance. Providing caregivers with access to affordable, quality health insurance will assist Wisconsin in attracting, retaining and increasing the caregiver workforce pool.
- **Potential funding options/cost savings/benefits.**
 - Over the biennium, total GPR savings are estimated at \$324.5 million
 - Health insurance with income limits of 133% will allow workers to increase their work hours without losing their health insurance
 - This is a hazardous job, and having access to health insurance will benefit workers' health and safety
- **What state agency or other entity would be responsible for implementing the proposal, if it were approved?**
 - Governor Evers
 - Wisconsin Legislature

- Would require repealing current law preventing DHS from expanding MA to capture enhanced federal matching funds
- **Cost estimates**
 - Administration's Estimated GPR Fiscal Effect of Full Medicaid Expansion, by Eligibility Group, Income Level, and Fiscal Year (\$ in Millions)

Year	0% to 100% FPL	100% to 133% FPL	Net Change
2019-20	-\$256.5	\$0.0	-\$256.5
2020-21	16.7	80.3	97.0
2020-21	-\$265.0	\$0.0	-\$265.0
2020-21	17.2	82.8	100.0
2020-21	-\$247.8	\$82.8	-\$165.0
Biennial Total	0% to 100% FPL -\$521.5	\$0.0	-\$521.5
Biennial Total	100% to 133% FPL 33.9	163.1	197.0
Biennial Total	Net Change -\$487.6	\$163.1	-\$324.5

For the purposes of these estimates, the administration assumed increased average enrollment of approximately 82,000, composed of 52,000 parents and 30,000 childless adults. Currently, there are approximately 154,000 parents and 150,000 childless adults enrolled in MA.

Governor's Budget Report