



Congressional Bill Increases Wisconsin's Uninsured Population and Costs Taxpayers more than \$74 Million Annually

This analysis provides additional information on the impact the House-passed budget reconciliation bill will have on Wisconsin's health care coverage. Changes to Medicaid as well as the impact of dismantling key parts of the Affordable Care Act together put over 250,000 Wisconsin residents at risk of losing their health insurance in the next decade according to the Joint Economic Committee (JEC). The [JEC analysis](#) looks at the impact of this bill's provisions overall utilizing 10-year estimates by the Congressional Budget Office.

Medicaid in Wisconsin

Wisconsin's Medicaid programs are an essential part of our state's health care system and economy. Medicaid covers one in five people in Wisconsin, including two in five kids and three in five older adults in nursing homes. Medicaid covers a broad range of health care screening and services, including mental health and substance use, dental, and prescription drug coverage; long-term care services, like nursing home or assisted living services; and other services that improve access to care, like non-emergency transportation and housing supports.

However, Congress is voting to enact a set of proposals that would harm Wisconsin's Medicaid program by:

- Forcing working people off the program due to red-tape work reporting requirements
- Increasing medical debt and uncompensated care
- Increasing Wisconsin's uninsured population
- Preventing Wisconsin from innovating and designing the best program for the state

Red-tape work reporting requirements will force Wisconsin residents out of coverage

Many people with Medicaid have jobs that don't offer health insurance. Others can't work because of a health condition. The bill in Congress imposes new red-tape requirements on hard-working Wisconsin residents, making it even more difficult for people to maintain coverage. At the same time, the bill forces states to rush the implementation of these requirements. The bill also requires eligibility to be redetermined every six months. This may result in more people losing coverage, especially those who work in industries that may not be reflected in state data systems.

DHS estimates this provision will result in 63,000 Wisconsin residents at high risk of losing their coverage. Additionally, it will cost Wisconsin taxpayers \$74.2 million annually in administration and training costs. These costs will likely not lead to higher workforce participation, as a [study by the Congressional Budget Office](#) shows that Medicaid work requirements do not have any meaningful impact on the number of Medicaid enrollees working. This DHS analysis shows the immediate impact of the work reporting requirements when this provision goes into effect in 2026.

A Look at the Local Impact of Red-Tape Work Reporting Requirements

These requirements would impact Wisconsin residents across the state, subjecting them to burdensome red-tape and putting them at risk of losing access to preventive and emergency care. The following tables show how many people in Wisconsin would be at high risk of losing health coverage by county and congressional district.

County	People at High Risk of Losing Coverage
Adams	311
Ashland	244
Barron	435
Bayfield	191
Brown	2,454
Buffalo	97
Burnett	211
Calumet	218
Chippewa	514
Clark	249
Columbia	477
Crawford	164
Dane	5,339
Dodge	703
Door	205
Douglas	515
Dunn	407
Eau Claire	1,121
Florence	53
Fond du Lac	809
Forest	136
Grant	375
Green	228
Green Lake	171
Iowa	166
Iron	80
Jackson	219
Jefferson	620
Juneau	346
Kenosha	1,983
Kewaunee	118
La Crosse	1,090
Lafayette	93
Langlade	271
Lincoln	253
Manitowoc	644

County	People at High Risk of Losing Coverage
Marathon	1,148
Marinette	482
Marquette	150
Menominee	163
Milwaukee	19,951
Monroe	354
Oconto	311
Oneida	373
Outagamie	1,284
Ozaukee	454
Pepin	45
Pierce	253
Polk	388
Portage	623
Price	160
Racine	2,333
Richland	166
Rock	1,939
Rusk	203
St. Croix	517
Sauk	610
Sawyer	306
Shawano	454
Sheboygan	1,084
Taylor	150
Trempealeau	184
Vernon	225
Vilas	312
Walworth	921
Washburn	205
Washington	724
Waukesha	2,131
Waupaca	399
Waushara	252
Winnebago	1,449
Wood	782

Congressional District	People at High Risk of Losing Coverage
CD1	5,237
CD2	8,375
CD3	5,981
CD4	19,951

Congressional District	People at High Risk of Losing Coverage
CD5	4,179
CD6	5,490
CD7	7,696
CD8	6,089

Additional details about the impact of Medicaid changes to Wisconsin

Shorter window for Medicaid payment will increase medical debt and uncompensated care: Sometimes people who meet all Medicaid eligibility requirements but haven't yet enrolled in the program receive services in a hospital. Currently, providers can receive retroactive payments for the three months leading up to someone being determined eligible. The bill in Congress would limit this window to one month before eligibility determination. Narrowing this window for retroactive payments will increase the risk of Wisconsinites having medical debt. It will also increase uncompensated care for hospitals and other providers.

Freezing provider taxes will limit the ability for Wisconsin to supplement hospital and provider funding: The state has used this tool to supplement hospital and other provider funding as part of setting payment rates, while other states have pushed provider taxes much more aggressively. The bill in Congress freezes provider taxes at current rates and prohibits establishing new ones.

Wisconsin would no longer be able to use new provider taxes as a tool to fund Medicaid moving forward, while other states would be able to lock in much more federal provider tax revenue. The Governor's 2025-2027 budget proposal provides Wisconsin hospitals with over \$1.5 billion in new revenue, which would be prohibited after this year under this provision.

Eliminating expansion incentive locks Wisconsin out of \$1.3 billion in additional savings: The Wisconsin legislature has continuously refused to enact the option of full Medicaid expansion under the Affordable Care Act. Over the past decade, this has cost the state \$2.4 billion in savings and resulted in tens of thousands of Wisconsinites going without health coverage. This bill would roll back an extra 5% federal matching rate for states who choose to expand their Medicaid program for the first time.

Wisconsin can still adopt Medicaid expansion and save hundreds of millions of dollars each year, but the bill would lock the state out of \$1.3 billion in additional state savings if the state does not expand Medicaid before January 1, 2026.

Impact of Affordable Care Act changes to Wisconsin

Allowing enhanced Affordable Care Act Premium Tax Credits to expire will make health insurance unaffordable for 110,142 Wisconsin families: Premium tax credits provide upfront financial assistance to help people afford the health insurance plans through the Affordable Care Act marketplace in their state. Enhancements to these tax credits, included in the American Rescue Plan Act and extended by the Inflation Reduction Act, help enrollees save over \$700 on average on their health insurance. This legislation discontinues these premium tax credits, which would increase premium costs for all enrollees and make health coverage unaffordable for more than 100,000 Wisconsin families starting in 2026.