

## **BadgerCare Plus Lessened the Recession's Effects on Insurance Coverage in Wisconsin**

2009 was a difficult and unusual year in the United States and around the world. The deepest economic recession our nation has ever experienced took a toll on Wisconsin residents. At the same time, a major expansion of the BadgerCare Plus health insurance program provided health care for more low-income children and adults across the state. The effects of these two forces at work in Wisconsin are reflected in the report, *Wisconsin Health Insurance Coverage, 2009*.

The recession, which officially began in December 2007, affected virtually every sector of Wisconsin's economy. Unemployment rates, after holding steady for several years, started to trend upward in September 2008. Unemployment increased steadily during the first half of 2009, from 7.1% in January to 8.9% in July, then declined only slightly during the rest of the year, ending at 8.5% in December.

The proportion of Wisconsin residents under age 65 without any health insurance coverage increased from 2007 to 2008 (from 9.3% to 11.0%) and then remained steady in 2009 (at 10.9%), according to Current Population Survey results.

Employer-provided health insurance coverage in Wisconsin, for both workers and their dependents, declined in 2008. The Current Population Survey reported that 72.3% of Wisconsin residents younger than age 65 were covered by employer-based insurance in 2007. This rate decreased to 69.0% in 2008 and held steady at 68.8% in 2009.

At the same time the recession was cutting into Wisconsin employment and employer-based coverage, BadgerCare Plus was protecting more vulnerable children, families, and adults without dependent children. After a significant expansion of eligibility in 2008, enrollment in Wisconsin's BadgerCare Plus increased by 29% from December 2008 to December 2009. This increase of 166,000 enrollees prevented an even larger increase in the uninsured numbers. Among children, the uninsured proportion actually declined somewhat from 2008 to 2009 (from 5.8% to 4.7%, Current Population Survey).

Wisconsin continues to be among a small group of states with the highest rates of health insurance coverage. According to recently published results from the Current Population Survey, only two states (Massachusetts and Hawaii) had higher overall rates of health insurance coverage in 2009. Wisconsin ranks in the top five among all states for low rates of uninsured children, including low-income children. Although the rate of employer-based insurance coverage has decreased, Wisconsin remains among a small group of states with the highest rates of employer coverage.

### **Data Sources**

Beginning of recession: National Bureau of Economic Research. Business Cycle Dating Committee report accessed on October 8, 2010 at this site:

<http://www.nber.org/cycles/dec2008.html>

Unemployment rates: Seasonally Adjusted Local Area Unemployment Statistics. Data query conducted October 1, 2010 at this site:

<http://worknet.wisconsin.gov/worknet/datablelist.aspx?menuselection=da>

Health insurance coverage rates: Current Population Survey Historical Tables HIA-5 and HIA-6 accessed on October 1, 2010 at this site:

<http://www.census.gov/hhes/www/hlthins/data/historical/index.html>

BadgerCare Plus enrollment: Wisconsin Medicaid Program, statewide monthly enrollment data accessed on October 1, 2010 at this site:

<https://www.forwardhealth.wi.gov/WIPortal/portals/0/staticContent/Member/caseloads/481-caseload.htm>