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The Pathway Plan A Brief Summary

The Pathway Plan will build on Wisconsin's BadgerCare Plus program to provide health coverage to all individuals in Wisconsin. This public-private partnership will be financed through a combination of government, employer and individual contributions. Instead of continuing with a system of thousands of small risk puddles, the Pathway Plan will create large pools of people to effectively spread the risk and increase negotiating leverage through group purchasing power. The Pathway Plan will allow for more comprehensive benefits and stronger consumer protections than currently available in most private plans.

In summary, we propose the following:

Extend Medicaid/BadgerCare Plus eligibility to all children and to adults up to 300% of the federal poverty level (FPL)—over \$66,000 for a family of four. All benefits would follow the Standard Plan, the more comprehensive of the BadgerCare Plus plans.

Create an employer “buy-in” component that would allow people over 300% FPL to enroll in benefits. Self-employed individuals and small businesses will be able to join a large risk pool and benefit from the savings. Larger employers will be able to continue providing health insurance for their employees, but at a lower cost and with the possibility of more comprehensive benefits. As the Pathway Plan becomes more established, other state employees or state-funded groups such as public educators will be invited to buy into the system, and buy-in opportunities will be extended to all employers in the state. The buy-in program will create a mechanism by which private employer dollars could be used by states to secure federal matching funds. The program would be administered through the existing Medicaid/BadgerCare Plus administrative structure.

- **Retain private health insurance company involvement.** Health insurance companies would still bid for business with states—but states would have a massive bargaining advantage given the size of the public and private employee risk pool.
- **Eliminate enormous front-end costs and political battles** associated with the creation of new administrative and billing structures. The Pathway Plan utilizes the systems already in place; modifications will be made to accommodate more program participants. The plan will eliminate an employer mandate that would intimidate and mobilize small business against the plan. We believe the lower costs of The Pathway Plan would cause many businesses to actively pursue enrolling in the plan.
- **Gain Consumer confidence with an effective** infrastructure of patient advocacy, assistance, access to timely information and strict enforcement of program rules.

The Pathway Plan demonstrates a private-public partnership that will both save Wisconsin money and move our state *forward* on the course to health care for all.

