



## **PRESS RELEASE FOR IMMEDIATE RELEASE**

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### **Health Coverage Expansion Makes Moral, Fiscal Sense for Wisconsin**

**Madison, WI** –Wisconsin has more than 555,000 uninsured residents and many more that are underinsured who need our help. “Strengthening BadgerCare Plus can be a ‘win win’ for both the uninsured and taxpayers,” says Bobby Peterson, Public Interest Attorney at ABC for Health. Covering the uninsured tops Peterson’s lists of reasons to expand coverage in Wisconsin, as envisioned in the Affordable Care Act. Other reasons are fiscally motivated. “The Walker administration can strengthen BadgerCare while also helping local property tax payors, and save the state money,” says Peterson. Below are the “Top 10 Reasons to Expand Health Care Coverage in Wisconsin.” Peterson references a 2013 Legislative Fiscal Bureau report that shows counties expend over \$430 million to pay for local mental health services. Federally funded BadgerCare could help reduce local property tax levies. Peterson also reminds us that Wisconsin could benefit from an influx of federal dollars. Peterson noted, “Expanding health coverage will bring home billions in federal dollars to help promote economic growth and jobs in Wisconsin. Why should New York, California, and Illinois get our federal tax dollars and related economic growth and jobs?”

Similarly, Wisconsin hospitals provide over \$1.2 billion in uncompensated care annually for people without any health insurance or inadequate insurance. Peterson continues, “Most health systems that serve the uninsured socialize and redistribute uncompensated care costs to other payors, which results in higher overall health care costs that we all pay. A coverage expansion can reduce uncompensated care costs and cost shifting.” Peterson concludes,

“That math is compelling but the moral imperative for Governor Walker is crystal clear as over 150,000 stand in an endless line hoping for BadgerCare Plus Core Plan services. Help the uninsured, help our state. Governor Walker, please do the math- we all need your help and we all benefit.

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*BadgerCare Plus Core Plan Waiting List as of February 4, 2013.  
Wisconsin’s uninsured, standing in an endless line for health coverage.*

ABC for Health is a Wisconsin-based, nonprofit, public interest law firm dedicated to linking children and families, particularly those with special health care needs, to health care benefits and services. ABC for Health’s mission is to provide information, advocacy tools, legal services and expert support needed to obtain, maintain, and finance health care coverage and services.



## *Top 10 Reasons to Expand Health Care Coverage in Wisconsin*

- 1) **Cover the uninsured.** Over 11% of people in Wisconsin (more than 550,000) could benefit from a coverage expansion. The uninsured currently use the emergency room for health care and often suffer from worsened health without access to needed services.<sup>i</sup>
- 2) **End the waiting list.** 150,247 of our friends, neighbors and relatives in Wisconsin are on a waiting list for health care coverage. Coverage expansions can provide an option for some of these folks and link them to the much needed care.<sup>ii</sup>
- 3) **Reduce uncompensated care costs.** Wisconsin Hospitals provide over \$1.2 billion in uncompensated care annually for people without any health insurance or inadequate insurance. Most health care providers socialize and redistribute uncompensated care costs to other payors, which results in higher overall health care costs that we all pay. A Coverage expansion can reduce uncompensated care costs and cost shifting!<sup>iii</sup>
- 4) **Help local property tax payors.** Wisconsin Counties spend over \$430 million annually to pay for mental health services. Some of these payments could be picked up by Medicaid and help reduce local property tax levies.<sup>iv</sup>
- 5) **JOBS!** Wisconsin may receive over \$4.2 billion in federal funds over the first five years that will spread to every county in the state with health facilities, creating and maintaining jobs.<sup>v</sup>
- 6) **Save the state money!** Wisconsin will end up \$248 million ahead on the financial ledger if we expand coverage for the uninsured.<sup>vi</sup>
- 7) **Secure our share of Federal dollars!** Wisconsin ranks 32<sup>nd</sup> out of 50 states in securing federal dollars and 49<sup>th</sup> out of 50 in related federal salaries and wages. Expanding health coverage will bring home federal dollars and help promote economic growth in Wisconsin.<sup>vii</sup>
- 8) **Federal funds pay the vast majority of program costs.** The program is 100% federally funded for the first three years! The rate extends from 95 to 90% after 5 years.<sup>viii</sup>
- 9) **Reduce medical debt and medical bankruptcy.** Medical debt and medical bankruptcy cases overburden the Court system. Improved access to care for the uninsured will reduce these cases and save the court system precious resources.<sup>ix</sup>
- 10) **Reduce mortality and morbidity in Wisconsin.** Improved access to health care will reduce mortality and morbidity rates for people that lack health insurance.<sup>x</sup>



- <sup>i</sup> Kaiser Family Foundation State Health Facts: Wisconsin.  
<http://www.statehealthfacts.org/profileind.jsp?sub=40&rgn=51&cat=3>
- <sup>ii</sup> ABC for Health keeps track of clients enrolled in the BadgerCare Plus Core Plan. The State of Wisconsin Department of Health and Family Services does not provide this information to the public.
- <sup>iii</sup> WHA Informational Center Uncompensated Health Care Report:  
[http://www.whainfocenter.com/data\\_resources/2011Uncompensated.pdf](http://www.whainfocenter.com/data_resources/2011Uncompensated.pdf)
- <sup>iv</sup> Legislative Fiscal Bureau Information Report 50, January 2013:  
[http://legis.wisconsin.gov/lfb/publications/Informational-Papers/Documents/2013/50\\_services%20for%20persons%20with%20mental%20illness.pdf](http://legis.wisconsin.gov/lfb/publications/Informational-Papers/Documents/2013/50_services%20for%20persons%20with%20mental%20illness.pdf)
- <sup>v</sup> How Much Would the Medicaid Expansion Cost Your State? Annie Lowrey, New York Times, July 2, 2012,  
<http://economix.blogs.nytimes.com/2012/07/02/how-much-would-the-medicaid-expansion-cost-your-state/>

Also compare to another Midwestern State- Missouri

[http://web.mhanet.com/uploads/media/Exec\\_Summary\\_MU\\_Medicaid\\_Expansion\\_Economic\\_Report.pdf](http://web.mhanet.com/uploads/media/Exec_Summary_MU_Medicaid_Expansion_Economic_Report.pdf)

- <sup>vi</sup> The Cost and Coverage Implications of the ACA Medicaid Expansion: National and State-by-State Analysis, November 2012, [http://www.kff.org/medicaid/upload/8384\\_ES.pdf](http://www.kff.org/medicaid/upload/8384_ES.pdf)
- <sup>vii</sup> Census Bureau reports on federal spending for 2010 (released in Sept. 2011):  
<http://www.census.gov/prod/2011pubs/cffr-10.pdf>

Also see earlier data: <http://taxfoundation.org/article/federal-tax-burdens-and-expenditures-state>

- <sup>viii</sup> Urban Institute's "Consider Savings as Well as Costs: Timely Analysis of Immediate Health Policy Issues" (July 2011): <http://www.urban.org/uploadedpdf/412361-consider-savings.pdf>
- <sup>ix</sup> Medical Bankruptcy in the United States, 2007: Results of a National Study. David U. Himmelstein Deborah Thorne, PhD, Elizabeth Warren, JD, Steffie Woolhandler, MD, MPH Am J Med. 2009 Aug;122(8):741-6,  
<http://www.ncbi.nlm.nih.gov/pubmed/19501347>
- <sup>x</sup> *Will Expanding Medicaid Coverage to Low-Income Uninsured Childless Adults under the Affordable Care Act Improve Health? Evidence from Wisconsin* Thomas DeLeire, Ph.D., Laura Dague, M.A., Lindsey Leininger, Ph.D., Kristen Voskuil, M.A., Donna Friedsam, MPH  
<http://liberalarts.iupui.edu/cher/uploads/docs/deleirepaper.pdf>