



Birth Cost Recovery Update October 18, 2019

Hello, Partners,

We are sending this email to individuals and organizations who have an interest in or concern about the practice of birth cost recovery in Wisconsin. This email provides updates on actions at both the local level and state legislative level.

First, as you may recall, a new administrative rule took effect in 2018 that provided that collection of birth costs was inappropriate in intact families. Earlier this year, the Joint Legislative Council introduced bills in both the Assembly and Senate to eliminate this limitation on birth cost recovery. The Senate bill, SB350, was amended with language to prohibit birth cost orders for fathers whose income is below 150% of the federal poverty limit and appropriate funds to counties to make up for the loss of federal matching funds.

The Assembly bill, [AB103](#), has also now been amended with the same language and is scheduled for [executive session](#) before the Assembly Committee on Family Law on Tuesday, October 22, 2019. The session is scheduled for 10 am in the North Hearing Room (2nd Floor North).

Second, Dane County Executive Joe Parisi's [2020 Budget](#) (PDF) calls for the elimination of birth cost recovery in Dane County altogether. On page 11 of the linked document, Executive Parisi notes:

“With this budget I am ending the controversial practice known as ‘birth cost recovery collections.’ Currently, the federal government permits child support agencies to re-coup costs for Medicaid funded births. These dollars are collected after child support payments are made and counties retain a portion of the proceeds for the administration of this collection. We can forgo this revenue and give these parents one less expense while many of them struggle to make ends meet. The racial disparities in Birth Cost Recovery are stark, with these parents being asked to reimburse the federal government hundreds of dollars each year for many years in some cases.”

This alert is for informational purposes only.

Please let me know if you have any questions.

Thank you,

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