Medicaid and FoodShare in Wisconsin: Policy Threats and Opportunities

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Kids Forward
Health Care: Positive trends and developments

• Sharp gains in insurance coverage (from 2013 to 2016, a drop of 20 million Americans without insurance)
• Substantial improvements in: access to preventive care, and coverage for women and people with pre-existing conditions.
• The Children’s Health Insurance Program (CHIP) was just renewed for 10 years.
• The percentage of kids who are uninsured is at an all-time low (thanks to the ACA and CHIP).
• Against heavy odds, efforts to repeal the ACA have failed.
A sharp drop in uninsured children

Figure 1. Rate of Uninsured Children, 2008-2015

* Change is significant at the 90% confidence level. 2013 was the only year that did not show a significant one-year decline in the national rate of uninsured children. The Census began collecting data for the health insurance series in 2008, therefore there is no significance available for 2008.
Strong Recent Progress in Insurance Coverage

Total Uninsured Rate in Wisconsin, 2008-2016

- 8.8% in 2008
- 5.3% in 2016

218,000 people gained insurance between 2013 and 2016
In Wisconsin, Medicaid Covers:

80% of Medicaid recipients in Wisconsin are part of working families.

17% of the Population:

- 1 in 7 Adults
- 1 in 3 Children
- 2 in 5 Low-Income Individuals
- 3 in 5 Nursing Home Residents
- 1 in 2 People with Disabilities
FoodShare: Positive trends and developments

• Over the last 15 years, WI has made improvements in FoodShare enrollment and renewal processes, and has significantly increased the participation rate

• Food Share now serves about one in eight Wisconsinites (an average of 691,000 people per month in 2017)

• WI had the 10th highest SNAP participation rate in 2015 (96%)

• The legislature resisted the Governor’s recommendation to pass a costly and ineffective FoodShare photo ID bill.
FoodShare: Negative changes now in place

• Work/training requirements for childless adults
  ➢ Since this requirement was implemented in 2015, about 85,000 childless adults have lost their FoodShare benefits.
  ➢ For every FSET participant who gained a job, 3 lost their benefits.

• WI eliminated the “heat and eat” option that had significantly increased FoodShare benefits for people in institutional housing

Thanks in part to those changes, FoodShare participation in WI fell almost 19% from 2012 to 2017.
FoodShare: Negative changes in the pipeline

• These changes have been approved in WI, but have yet to be implemented:
  ➢ Drug screening/testing for FoodShare participants
  ➢ Expansion of the FS work/training requirement to 30 hours/week
  ➢ Expansion of the work/training requirement to parents of school-age children (federal waiver required)
  ➢ Creation of an asset ceiling for eligibility
  ➢ Requiring child support compliance for eligibility
FoodShare: Looming threats

• A number of other negative changes are on the horizon:
  ➢ Potential SNAP cuts in the Farm bill
  ➢ USDA proposal to reduce state flexibility on the work requirement for childless adults
  ➢ Expedited federal waivers
FoodShare: Opportunities

• Improve the FS Employment & Training program (FSET):
  ➢ FSET contractors should be paid for results, and they should help participants navigate barriers to employment.
  ➢ FSET should individualize employment plans, instead of handing out generic printouts of temporary job openings
  ➢ Test the effectiveness of the program and different strategies.

• Restore the “heat and eat” option - Reallocating energy assistance funds would significantly increase FoodShare benefits in WI
  ➢ WI is the only state that formerly used the “heat and eat” option and has not reacted to the Congressional change in order to restore it.
Health Care: Threats to the recent gains

• Legislation to repeal & replace the ACA (and sharply reduce Medicaid funding)
• Action & inaction to sabotage the ACA Marketplace
• Budget and tax bills that threaten to slash Medicaid $s
• Recently-approved WI legislation
• Medicaid waivers
**Medicaid Today: How Does the Funding Work?**

Wisconsin and the federal government share expenses for the state Medicaid program, with the federal government paying almost three-fifths of total costs.
Trump’s Proposed Budget Cuts

Trump Budget Would Cut Medicaid by Up to $1.3 Trillion Over Ten Years

Source: CBPP analysis using Congressional Budget Office and Office of Management and Budget data.
Last year DHS submitted to federal officials a broad proposal for a number of federal Medicaid waivers that would change BadgerCare for childless adults:

- Drug screening and testing for applicants;
- Premiums for participants 51% of the poverty line ($12,500/year for a family of 4);
- A 48-month time limit for BadgerCare eligibility if not meeting work requirements.
- Co-pays for use of emergency rooms.
Medicaid – Recently approved Special Session bills

In the rushed “special session” the WI legislature approved two bills that will curtail participation in Medicaid and BadgerCare:

- A requirement that Medicaid participants be current in their child support payments;
- A requirement that BadgerCare plans for childless adults below the poverty level operate similar to Health Savings Accounts (which generally have high deductibles and co-pays).
A huge opportunity to improve BadgerCare: the ACA’s Medicaid expansion option

The ACA provides increased federal funds for states that cover all adults up to 138% of the federal poverty law.

- 31 states have qualified for that funding.
- ACA “repeal and replace” bills would have phased it out.
- In light of that bill’s defeat, Wisconsin could still use this option – which would cover an additional 79,000 adults and save state taxpayers about $190 million per year.
Other opportunities to build upon Medicaid & the ACA

At some point we hope to move beyond issues relating to access to insurance, and focus instead on:

- Improving access to care.
- Improving care coordination.
- Reducing health disparities by alleviating the social determinants of negative health outcomes.
What can you do?

• Call or email your Senators and Representative
• Encourage your friends, family members and patients to share their story
• Write a letter to the editor
• Sign up for e-mail updates & action alerts
• Comment today on new USDA proposal that could tighten FoodShare eligibility (Google: “Don't let the Trump Administration cut food..”)

(Don't let the Trump Administration cut food..”
Questions?
Thank You!

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