

**Disability Rights Wisconsin Statement on Amended Version of AB 148  
April 25, 2023**

Disability Rights Wisconsin (DRW) opposes Assembly Bill 148 because it will create new barriers to Medicaid participation that will harm many adults and children with disabilities who rely on Medicaid for vital health services and long term supports. Many of these services and services are only available through Medicaid and not covered by private insurance. AB 148 will create costly new administrative barriers that will increase the number of uninsured Wisconsinites, put their health at risk, increase reliance on costly emergency care, and significantly increase administrative costs. The increased administrative burden is fiscally irresponsible. Requiring renewals every six months will violate federal law. For all of these reasons, Disability Rights Wisconsin asks legislators to vote no on AB 148.

As the designated Protection and Advocacy system for Wisconsinites with disabilities, DRW is charged with protecting and enforcing the legal rights of individuals with disabilities, investigating systemic abuse and neglect, and ensuring access to supports and services, so that all Wisconsinites can learn, work, and live full lives in our communities free of abuse, neglect, and discrimination. DRW provides advocacy assistance to many adults and children with disabilities who rely on Medicaid programs which informs our perspective on AB 148.

AB 148 will prohibit DHS from automatically renewing benefits for BadgerCare Plus members, require eligibility to be redetermined every six months instead of annually, and disallow the use of prepopulated forms. AB 148 also requires DHS to immediately disenroll people who are found ineligible through data matching and terminate eligibility for 6 months for individuals that fail to report to DHS any change that may affect their eligibility. The amended bill expands some provisions of AB 148 to include other Medicaid programs which serve only members with disabilities, such as SSI Medicaid and MAPP.

AB 148 will significantly increase administrative burden and costs, increase the number of uninsured Wisconsinites, and put their health at risk, and increase reliance on costly emergency care. In addition, AB 148 would violate federal law: Under federal law [42 CFR §§ 435.916(a)(1) and 457.343], states are prohibited from conducting renewals more than once every 12 months.

**Fiscal Impact.** The [initial fiscal estimate for AB 148](#) indicates a significant fiscal impact: "the known one-time costs are estimated at \$2,257,200 all funds (\$225,700 GPR and \$2,031,500 FED), and the known annual, ongoing costs are estimated at \$56,612,600 all funds (\$19,270,900 GPR and \$37,341,700 FED). The fiscal estimate also projects a major increase in DHS staff of 125 FTEs to implement and support the



new restrictions. The amendment approved in committee expands the impact of the bill beyond BadgerCare to all Medicaid program under [Ch 49 subchapter IV](#) which includes multiple other Medicaid programs. This expansion is not reflected in the fiscal estimate and would likely further increase the fiscal impact of AB 148.

**The Human Cost of AB 148.** Access to benefits, and to Medicaid in particular, is critically important for many people with disabilities, children as well as adults. AB 148 will create additional barriers and result in people with mental illness and other disabilities experiencing disruptions in Medicaid eligibility. Loss of eligibility will result in loss of access to medication, healthcare, and long term supports such as personal care. It will lead to higher utilization of costly emergency and urgent care services, increased nursing home utilization, and put the health and independence of those who lose coverage at risk. Low income adults and children have a higher rate of chronic health conditions such as diabetes, hypertension, and respiratory related illness. Continuity of care and uninterrupted access to care are essential to managing these conditions and lessening the rate of costly and disabling complications.

In addition to increases to administer the program, AB 148 will significantly, increase the cost of health care for those who lose eligibility, and have a major human cost as delays in treatment will result in more complex debilitating conditions. Eligible individuals will be at risk for losing coverage if they do not receive or understand notices or forms requesting additional information to verify eligibility or do not respond to requests within required timeframes. This is referred to as "churn" – the loss of Medicaid coverage in which enrollees disenroll and then re-enroll within a short period of time. Churn creates additional administrative costs, as well as access barriers.

People with disabilities, including those dealing with mental illness, can find complex systems to be challenging to navigate. Many do not have internet access. Medicaid members are more likely to move frequently leading to delays in receiving and returning renewal forms. Difficulty with maintaining compliance with complicated rules and documentation can mean a high percentage of them losing this life-saving benefit. In addition, DRW has found over the years that there are often errors in records or interpretations of findings that cause people to unfairly lose eligibility. Requiring this certification process to take place twice as many times as is already necessary, and then having swift removal, is a tremendous burden and increases the chances of these populations to be suddenly without healthcare coverage.

**Right to Appeal.** The federal requirements to allow time for appeal requests, investigations of denial decisions, and appeal/decision processes (that must take place before a removal is effective) will add additional administrative costs. The immediate removal of individuals from eligibility violates Medicaid rules for an appeals process. When a person is determined ineligible for Medicaid, federal regulations require they get a notice of proposed termination with their appeal rights. They can even continue

to get their BadgerCare while appealing the negative decision. So “immediately” removing ineligible people based on cross referencing data bases would be against Federal regulations.

**Amended Bill Will Harm Many More Disabled People.**

AB 148 initially proposed new restrictions for BadgerCare members only. DRW opposed the new barriers for BadgerCare members. A significant number of people with disabilities receive Medicaid coverage through BadgerCare, including many people with mental illness. In addition, many children with disabilities and/or chronic health conditions, and their families, rely on BadgerCare Plus and will be at increased risk of losing access to health care.

We are further alarmed by the amended bill which expands some provisions of AB 148 to include other Medicaid programs which serve only members with disabilities, such as SSI Medicaid and MAPP. Previous attempts to reform public assistance programs have exempted people with disabilities from policies that would result in them losing access to services.

DRW is also concerned about the impact of loss of Medicaid eligibility on other low income Wisconsinites, especially people who are caregivers for adults and children with disabilities. Wisconsin is currently experiencing a severe shortage of direct care providers that is putting at risk the ability of some Wisconsinites with disabilities to live in the community. The role of unpaid family caregivers, as well as paid caregivers, is essential to ensuring children and families with significant disabilities can continue to live in the community. Disruptions in healthcare coverage may compromise their ability to care for others, and further exacerbate the caregiver shortage.

**The Importance of Medicaid.** Some supporters of AB 148 have stated that it is preferable for people to move from Medicaid to private insurance. This policy recommendation would be very harmful for many children and adults with disabilities and put them at great risk; Medicaid covers home and community based supports that private insurance does **not** cover. Children and adults with disabilities rely on specific supports such as school therapies, personal care, transportation, job coaching, employment services, and mental health and substance use disorder services that are not available or not available at the level needed on the private insurance market.

For example, Wisconsin counties administer programs such as Comprehensive Community Services (CCS) and Community Support Program (CSP) that provide rehabilitative services for people with mental health and substance use disorder needs. These programs provide essential community support and decrease the number of people in crisis and needing inpatient care. These are Medicaid programs; to enroll in CCS or CSP you must first enroll in Medicaid. Should AB 148 become law, children and adults with mental health needs would be at great risk of losing eligibility and access to



medication and other supports that are essential to their health. We could expect an increase in utilization of Winnebago Mental Health Institute and in increase in the number of emergency detentions.

Many children with disabilities rely on community services that are funded by Medicaid and not by private insurance. Over 56,000 Wisconsin children have a disability that could result in the need for long term services. Over 24,000 of these Wisconsin youth are enrolled in Wisconsin long support programs include programs Children's Long-Term Support Waiver (CLTS), the Children's Community Options Program (CCOP), Comprehensive Community Services (CCS), and Coordinated Service Teams(CST)/WRAP.

**The Case for Continuous Coverage.** The best practices for Medicaid coverage are to provide continuous health insurance coverage. The benefits of continuous coverage are documented by the Georgetown University Center for Children and Families in a 2021 paper, *[Continuous Coverage in Medicaid and CHIP](#)*: *"Medicaid continuous eligibility promotes health equity by limiting gaps in coverage for low-income children and adults who experience disproportionate rates of health disparities. Consistent access to health care, including management of chronic conditions and care coordination, improves health status and well-being and drives more efficient health care spending. Importantly, continuous eligibility mitigates the negative effects of income volatility that disproportionately impact low-income families and essential workers. By reducing the administrative costs associated with enrollees cycling on and off of Medicaid due to temporary fluctuations in income, states can dedicate more of their Medicaid dollar to pay for health care."*

Wisconsin's Medicaid program is essential to the health and well-being of hundreds of thousands of Wisconsin children and adults with disabilities, caregivers, and other low income people. AB 148 will create costly new administrative barriers that will increase the number of uninsured Wisconsinites, put their health at risk, increase reliance on costly emergency care, and significantly increase administrative costs. The increased administrative burden is fiscally irresponsible. Requiring renewals every six months and requiring immediate terminations will violate federal law. For all of these reasons, Disability Rights Wisconsin opposes AB 148.

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