

December 2, 2013

To: Senator Alberta Darling, Chair
Representative John Nygren, Chair
Members, Joint Committee on Finance

From: Lisa Pugh, Public Policy Coordinator

Re: **LRB-3678; LRB-3687**
Impacts of a proposed delay of BadgerCare and Health Insurance Risk Sharing Plan changes on individuals with disabilities

Disability Rights Wisconsin supports the delay in transitioning to the healthcare Marketplace of parents and caretakers on BadgerCare and HIRSP members. However, we are concerned about the impact on people with disabilities of delaying BadgerCare Plus coverage for childless adults under 100% of the Federal Poverty Level and support exploring means to cover this group of people. We also support any outreach efforts that the Department could make to limit the confusion to people with disabilities caused by any delays in health care transition or coverage.

The delay in coverage for childless adults will impact many people with disabilities

Under the 2013-2014 state budget, approximately 83,000 childless adults with incomes below 100% of FPL would be eligible for BadgerCare Plus coverage on January 1, 2014. However, LRB 3678/1 and 3687/1 delays coverage for this group of people until April 1, 2014. People with disabilities are more likely to be living below the poverty limit than people without disabilities and approximately 25% of the population below 100% have a disabling condition. Many of these people have chronic conditions that need medical treatment including severe mental illnesses. Therefore, DRW's concern is that the delay in coverage for childless adults will disproportionately impact people with disabilities and prevent them from obtaining necessary medical and psychiatric treatment during the delay.

For these reasons, Disability Rights Wisconsin supports an alternative means to provide coverage for this vulnerable population such as shortening the delay in transitioning parents and caretakers to the healthcare Marketplace from three months to two months and using the savings to provide coverage for childless adults on January 1, 2014. Alternatively, Disability Rights Wisconsin supports using the estimated \$23 million in savings from LRB 3678/1 and 3687/1 to provide coverage to many of these childless adults. For example, if \$23 million could provide coverage starting January 1 for childless adults up to 50%, DRW believes that it would be better to cover some childless adults instead of no childless adults.

The delay is causing significant confusion among people with disabilities

Because there is less than one month before January 1, 2014 and the changes may not pass the Legislature until December 19, 2013, many people with disabilities are confused by the delay proposed in LRB 3678/1 and 3687/1 including:

- Many childless adults with disabilities received confirmation from healthcare.gov that they are eligible for BadgerCare Plus on January 1, 2014. We are unclear as to whether this population will be notified that they will not be eligible until April 1, 2014.
- Parents and caretakers with disabilities between 100% and 200% of FPL may have enrolled in a private health insurance beginning on January 1 through healthcare.gov. We are unclear whether this population will be dis-enrolled from their private health insurance and notified that their BadgerCare Plus eligibility will continue until March 31, 2014.

Because of this confusion, we support a significant focus on outreach efforts by DHS to people affected by these changes to alleviate their confusion and potential delay in critical health care.