MEDICAID IN WISCONSIN

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June 2017

Medicaid and the Children’s Health Insurance Program (CHIP) provide health and long-term care coverage to more than 1.0 million low-income children, pregnant women, adults, seniors, and people with disabilities in Wisconsin. Medicaid is a major source of funding for safety-net hospitals and nursing homes. The American Health Care Act (AHCA) would fundamentally change the scope of the program and end the guarantee of federal matching funds.

Snapshot of Wisconsin’s population

- 29% of WI’s population is low-income
- Adults in WI reporting:
  - Overweight or obese: 66%
  - Poor mental health status: 35%
  - Fair or poor health status: 15%
  - Diabetes: 8%

How has Medicaid affected coverage and access?

- In 2015, 17% of people in WI were covered by Medicaid/CHIP.
- Since implementation of the Affordable Care Act (ACA), Medicaid/CHIP enrollment has increased in WI.
- Did WI expand Medicaid through the ACA?
  - Yes
  - No

The uninsured rate in WI has decreased.

<table>
<thead>
<tr>
<th>WI</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>9%</td>
<td>13%</td>
</tr>
</tbody>
</table>

In WI, Medicaid covers:

- 1 in 7 adults <65
- 2 in 5 low-income individuals
- 1 in 3 children
- 3 in 5 nursing home residents
- 1 in 2 people with disabilities

Nationally, Medicaid is comparable to private insurance for access and satisfaction – the uninsured fare far less well.

<table>
<thead>
<tr>
<th>Well-Child Checkup</th>
<th>Doctor Visit Among Adults</th>
<th>Specialist Visit Among Adults</th>
<th>Adults Satisfied With Their Health Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>85%</td>
<td>74%</td>
<td>36%</td>
<td>85%</td>
</tr>
</tbody>
</table>

Each Medicaid program is unique:

- Eligibility: All states have taken up options to expand coverage for children; many have opted to expand coverage for other groups.
- Benefits: All states offer optional benefits, including prescription drugs and long-term care in the community.
- Delivery system & provider payment: States choose what type of delivery system to use and how they will pay providers; many are testing new payment models to better integrate and coordinate care to improve health outcomes.
- Long-term care: States have expanded eligibility for people who need long-term care and are increasingly shifting spending away from institutions and towards community-based care.
- State health priorities: States can use Medicaid to address issues such as the opioid epidemic, HIV, Zika, autism, dementia, environmental health emergencies, etc.

Eligibility levels are highest for children and pregnant women.

<table>
<thead>
<tr>
<th>Children</th>
<th>Pregnant Women</th>
<th>Parents</th>
<th>Childless Adults</th>
<th>Seniors &amp; People w/ Disabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>306% (64,465)</td>
<td>255% (64,465)</td>
<td>205% (64,465)</td>
<td>138% (64,465)</td>
<td>73% (64,465)</td>
</tr>
</tbody>
</table>

Eligibility levels are based on the FPL for a family of three for children, pregnant women, and parents, and for an individual for childless adults and seniors and people w/ disabilities. Seniors & people w/ disabilities eligibility may include an asset limit.
The March 2016 Budget Resolution would cut Medicaid caps may
Proposals to reduce $1.6 Trillion (32%)
Total Cut:
Congress.

expansion Medicaid and the Uninsured

expansion by the

-aca-

Medicaid spending growth is
slowly private health
care spending, in part due to
lower provider payments.

Federal matching funding to states is guaranteed
with no cap and rises depending on program needs.

In WI the federal share (FMAP) is 58.5%. For every
$1 spent by the state, the Federal government matches
$1.41.

Expansion states receive an increased FMAP for the
expansion population. WI did not expand Medicaid and did
not receive additional federal funds.

In FY 2016, Medicaid spending in WI was $7.7 billion.

In 2014, most Medicaid beneficiaries in WI were children and adults, but most spending was for the elderly and people with disabilities.

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0.71
is the Medicaid-to-Medicare
physician fee ratio in WI.

65%
of long-term care spending
in WI is for home and
community-based care.

67%
of beneficiaries in WI are
in managed care plans.

168,300
Medicare beneficiaries (18%) in WI rely on Medicaid for
assistance with Medicare premiums and cost-sharing and services not covered by
Medicare, particularly long-term care.

49%
of Medicaid spending in WI is
for Medicare beneficiaries.

What are the implications of reduced federal financing in a Medicaid block grant or a per capita cap?

The American Health Care Act (AHCA)
would reduce federal Medicaid funding
through ACA repeal and federal caps.
The CBO estimates that the AHCA would reduce federal Medicaid spending by $834 billion nationally over the
2017-2026 period.

In 2026
14 million ↓ Medicaid enrollees
24% ↓ in federal funds
23 million ↑ in uninsured → $1 million uninsured

Reducing federal funds through a per capita cap or block grant:

Shifts costs and risks to states, beneficiaries,
and providers if states restrict eligibility,
benefits, and provider payment.

Locks in historic spending patterns and have
an even greater impact on states that
expanded Medicaid.

Limits states’ ability to respond to rising
health costs, increases in enrollment due to a
recession, or a public health emergency such as
the opioid epidemic, HIV, Zika, etc.

Leads to more low income uninsured
Americans.

A per capita cap would lock in state
spending patterns and limit states’ ability
to respond to changing program needs.

Per capita spending by enrollment group

$5,137 (NM) $9,135 (MT) $44,752 (DE)
Children Adults Individuals with Disabilities Aged

$5,137 (NM) $9,135 (MT) $44,752 (DE)

Filling the need for trusted information on national health issues, the Kaiser Family Foundation is a nonprofit organization based in Menlo Park, California.