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Contact: jpeacock@kidsforward.net

608-284-0580 x 307

The Medicaid Budget Amendment: Paying a Lot More for a Lot Less

JFC Budget Slashes Initiatives Important to Rural Areas and Communities of Color

The following is a statement by Ken Taylor, Kids Forward's Executive Director, regarding the Medicaid portion of the budget approved by the Joint Finance Committee:

The Medicaid budget approved by the Joint Finance Committee late Tuesday costs state taxpayers far more than the Medicaid plan recommended by the governor, yet accomplishes far less. The Republican plan clearly demonstrates the huge cost of turning down the increased federal funding Wisconsin could receive by expanding BadgerCare eligibility.

If lawmakers ultimately approve this version of the budget, they would squander a golden opportunity to improve access to critically important health services, relieve economic hardship for thousands of households, obtain large savings in the Medicaid budget, and reduce the very substantial racial disparities in health care access in our state.

Although the committee's Medicaid plan makes a few improvements in the Governor's budget, it makes deep cuts in many very important initiatives that would improve access to health care services. By turning down the federal funding that 36 other states are using for Medicaid expansions, the committee's plan would spend almost \$300 million more from state tax revenue and would capture \$1.28 billion less in federal funding.

The amended version of the budget makes the deepest cuts to the Governor's proposals that would help disadvantaged families in rural parts of the state and communities of color. Wisconsin has some of the largest racial disparities in health outcomes among all the states, yet the committee's budget slashes the initiatives Governor Evers proposed to begin reducing those disparities.

Some of the changes made by that committee that will be especially harmful in communities of color and rural areas include total elimination of new funding for improving health care for pregnant women and babies, increasing access to post-partum care, expanding access to dental care, supporting pediatric services, expanding the Birth to Three program, and initiating efforts that begin to address some of the root causes of health disparities.

Some of the other harmful changes include cutting almost \$42 million from Medicaid services contracts, and almost two-thirds of the funding for behavioral health services, crisis intervention, and lead exposure prevention.

If this version of the budget becomes law, childless adults who have a full-time job that pays the minimum wage will continue to be ineligible for BadgerCare. A single parent with one child will be ineligible for BadgerCare if he or she has a job that pays at least \$8.15 per hour.

Although the committee's action is extremely disappointing, it's not too late for the full legislature to reverse those choices and approve a Medicaid budget that improves access to health services for low-income Wisconsinites, reduces racial disparities, and saves money that can be invested in other parts of the budget.