

### Fiscal Estimate - 2013 Session

Original       Updated       Corrected       Supplemental

LRB Number **13-3687/1**      Introduction Number **SB-001 (DE3)**

**Description**

Delaying eligibility changes to BadgerCare Plus and BadgerCare Plus Core and delaying other changes to the Medical Assistance program; and extending coverage under, and the deadline for the dissolution of, the Health Insurance Risk-Sharing Plan

**Fiscal Effect**

**State:**

- No State Fiscal Effect
- Indeterminate
  - Increase Existing Appropriations
  - Decrease Existing Appropriations
  - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
  - Yes
  - No
- Decrease Costs

**Local:**

- No Local Government Costs
- Indeterminate
  - 1.  Increase Costs
    - Permissive  Mandatory
  - 2.  Decrease Costs
    - Permissive  Mandatory
  - 3.  Increase Revenue
    - Permissive  Mandatory
  - 4.  Decrease Revenue
    - Permissive  Mandatory
- 5. Types of Local Government Units Affected
  - Towns     Village     Cities
  - Counties     Others    0
  - School Districts     WTCS Districts

**Fund Sources Affected**

**Affected Ch. 20 Appropriations**

GPR     FED     PRO     PRS     SEG     SEGS s. 20.435(4)(a) and (o)

**Agency/Prepared By**

**Authorized Signature**

**Date**

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12/2/2013

## Fiscal Estimate Narratives

DHS 12/2/2013

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<b>Description</b> Delaying eligibility changes to BadgerCare Plus and BadgerCare Plus Core and delaying other changes to the Medical Assistance program; and extending coverage under, and the deadline for the dissolution of, the Health Insurance Risk-Sharing Plan					

### Assumptions Used in Arriving at Fiscal Estimate

2013 Act 20, the 2013-15 biennial budget, made changes to Medicaid eligibility, effective January 1, 2014, to reflect the Patient Protection and Affordable Care Act and implementation of federal facilitated insurance marketplaces. Among other changes, the budget provided that the following BadgerCare Plus groups would transition to receiving coverage through the federal market place: a) parents and caretakers with incomes above 100% of the federal poverty level (FPL) and b) Core Plan childless adults with incomes above 100% FPL. The budget also offered Medicaid coverage to all childless adults up to 100% FPL beginning January 1, 2014.

Because of difficulties with the operation of the insurance marketplace at the federal level, LRB 13-3687 would delay the above changes to BadgerCare Plus eligibility until April 1, 2014.

Overall, the bill would reduce Medicaid expenditures by \$23.1 million GPR on a one time basis over the 2013-15 biennium. This net effect reflects the following changes:

- a) The cost of extending eligibility for parents and caretakers would be \$17.2 million GPR.
- b) Savings from delaying eligibility for childless adults below 100% FPL would be \$38.9 million GPR
- c) Act 20 assumed the Department of Corrections would be able to enroll more inmates into Medicaid due to eligibility changes for childless adults. Under the bill, Medicaid expenditures for inmates would be \$1.4 million GPR lower than assumed in Act 20.

### Long-Range Fiscal Implications