

### Fiscal Estimate - 2019 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number <b>19-5060/1</b>	Introduction Number <b>SB-630</b>
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**Description**  
 extension of BadgerCare Plus benefits to certain postpartum women and making an appropriation

**Fiscal Effect**

**State:**

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

**Local:**

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Counties <input type="checkbox"/> Others
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 20.435(4)(b) and (o)	

<b>Agency/Prepared By</b> DHS/ Thomas Kelly (608) 266-0734	<b>Authorized Signature</b> Andy Forsaith (608) 266-7684	<b>Date</b> 2/18/2020
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## Fiscal Estimate Narratives

DHS 2/18/2020

LRB Number	19-5060/1	Introduction Number	SB-630	Estimate Type	Original
<b>Description</b> extension of BadgerCare Plus benefits to certain postpartum women and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

Currently, both state and federal law extend Medicaid coverage to post-partum women with incomes up to 300% of the federal poverty limit (FPL) for two months after the birth occurs. Specifically, the statute prescribes the post-partum Medicaid eligibility period to extend from the last day of pregnancy to the last day of the month in which the 60th day after the last day of the pregnancy occurs. Under current policy, these women are disenrolled from Medicaid unless they qualify for Medicaid under another eligibility category such as adults under 100% FPL.

For women who begin receiving substance abuse-related health services while pregnant, this bill would extend the post-partum Medicaid eligibility period from the current two months to a period of one year. Specifically, the post-partum eligibility period would extend from the last day of pregnancy to the last day of the month in which the date that is one year after the last day of the pregnancy occurs. In order to implement the provisions in this bill and receive federal financial participation under the Medicaid program for extended post-partum benefits, the Department would need to request and receive approval for a waiver of federal law.

In November 2019, approximately 6,223 pregnant women with household incomes above 100 percent up to 300 percent of the federal poverty level were enrolled in Medicaid. Under this bill, these members may be eligible to retain Medicaid eligibility for an additional 10 months post-partum, if they received substance abuse-related services under the Medicaid program during their pregnancy. According to the National Survey on Drug Use and Health (NSDUH), 11.7% of Americans used illicit drugs in the last month in 2018. Women accounted for 49.7% of Wisconsin's population between the ages of 18 and 65, and accounted for 29.3% of the initial intake and assessment for substance abuse treatment services performed by county health departments in Wisconsin for individuals aged 18 to 44 in 2018. For the purpose of this estimate, it is assumed that the average number of women who may be expected to retain eligibility each month under this proposal would be 430.

The costs for services provided to the members who would retain eligibility for an additional 10 months under this bill are estimated at \$519 per member, per month. This figure includes both substance abuse treatment and other covered health care costs.

To the extent that this policy would result in a phase-in of member enrollment, costs would also phase in, beginning with the effective date of the policy and continuing for ten months. The benefit cost in the first year after implementation are estimated at \$1,394,800 all funds (\$550,800 GPR and \$844,000 FED). The annual benefit cost after the first year is estimated at \$2,231,700 all-funds (\$881,300 GPR and \$1,350,400 FED).

### Long-Range Fiscal Implications