



"For these are all our children . . .  
we will all profit by, or pay for,  
whatever they become." James Baldwin

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Testimony  
by Linda A. Hall, Health Policy Analyst on  
**CARES Eligibility System Changes - SB 419**  
March 9, 2000

Medicaid and BadgerCare would be better programs -- better utilized by all eligible families and their children if it weren't so difficult to enroll in the programs.

The intent with BadgerCare, especially, was to create an insurance-like program that would get people in the routine of paying for and utilizing health insurance.

Think for a moment about how you apply for insurance. Your first day on a new job you are handed a form to fill out. If you have trouble with any of the questions on the form, there is someone there to assist you. You turn the form in and in a few weeks you get your health insurance card.

Not so for Medicaid and BadgerCare. You have to go to the County office, wait to see a caseworker, answer a lot of questions about your income and your family status. You leave with a list of information and documents to bring in to prove you are not lying about your income. Then you have to come back for another appointment with that same caseworker. If your car doesn't shut down, if your kids aren't sick, if your boss doesn't schedule you for extra hours AND if the caseworker isn't sick, doesn't have an emergency on another case, doesn't have a previous appointment run over so long that you have to leave for work AND if you were able to bring in every document AND the computer system doesn't break down while you are there, THEN you will be enrolled in Medicaid or BadgerCare.

But if one of these glitches happens, you have to come back for another appointment. Perhaps, you find out that there is another site where you can apply in the evening. You go there. You get in to see the outstationed eligibility worker, you have all the correct documents, but the worker can't put the information in the CARES system because that other caseworker who was too busy to see you is the only one who can change any information in your computer file.

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That's a welfare program, not a health insurance program. That's a system that only the sickest people will go through the humiliation and aggravation to sign up for and children who could benefit from regular health care and check-ups won't get signed up.

In some counties, caseworkers have large caseloads and can't see everyone promptly. In some counties, people have to travel long distances to get to the county office. And in most cases, people have to go during business hours somewhere other than work or their health clinic to fill out an application.

SB 419 does a simple thing. It allows trained, public employees from the same system to access the record of a person already in the CARES system to update income and other information.

When you apply for health insurance, you fill out one application and you're done. Medicaid and BadgerCare participants --- many of whom work two or three part-time jobs -- have to regularly update income information. If they fail to report changes of income within 10 days they can be charged a penalty fee. If they can't get to that specified worker, they can't get their change in the system.

Nearly 90% of the people on BadgerCare have incomes below 150% of poverty. Clearly the fact the people over 150% of poverty have to pay premiums is an issue in this phenomenon. But I have heard many, many stories of people who call about how to sign up for BadgerCare, but as soon as they find out they have to go to the county welfare office to do so, they lose their interest. They don't want to go through the humiliation and aggravation.

It's small, bureaucratic things like this problem with CARES that work together to create that negative image that keeps good working families and their deserving children from signing up for a basic need -- health care coverage.

This is a simple measure that will impact many, many applicants and could help to turn around the image of our health care programs for low-income families.

Original     Updated  
 Corrected     Supplemental

**1999 Session**

LRB or Bill No. -- Adm. Rule No.  
 SB-419 --LRB-4592/1

Amendment No. if Applicable

**FISCAL ESTIMATE**  
 DOA-2048 N(R10/94)

**Subject**  
 MA ELIGIBILITY

**Fiscal Effect**

**State:**  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation  
 or affects a sum sufficient appropriation

- Increase Existing Appropriation     Increase Existing Revenues  
 Decrease Existing Appropriation     Decrease Existing Revenues  
 Create New Appropriation

Increase Costs - May be possible to Absorb  
 Within Agency's Budget  Yes  No

Decrease Costs

Local:  No local government costs

1.  Increase Costs  
 Permissive  Mandatory  
 2.  Decrease Costs  
 Permissive  Mandatory

3.  Increase Revenues  
 Permissive  Mandatory  
 4.  Decrease Revenues  
 Permissive  Mandatory

**5. Types of Local Government Units Affected**

- Towns     Villages     Cities  
 Counties     Others  
 School Districts     WTCS Districts

**Fund Sources Affected:**

GPR     FED     PRO     PRS     SEG     SEG-S

**Affected Ch. 20 Appropriations:**

445(3)(dz), 445(3)(n)

**Assumptions Used in Arriving at Fiscal Estimate**

In Milwaukee County, there are currently 26 county employees that can take Medicaid applications at outstation sites. It is assumed that each worker will need a standard dial-in access to the CARES system. It is estimated that this will cost approximately \$5 per hour per worker. The fiscal estimate assumes each worker will be accessing CARES for 8 hours during the normal business day for 52 weeks each year. However, it is possible that the workers will not be accessing CARES for the full business day each day and therefore the charges would be less.

In addition, there are approximately 25 outstation sites currently where non-government employees assist individuals in completing the application, gathering the necessary documentation and forwarding the application material to the county agency for processing. Under federal law, nongovernment employees are not allowed to determine eligibility for food stamps or Medicaid. Assuming this bill does not intend to replace the non-government employees at these sites with county eligibility workers, such costs as CARES basic training costs and access to CARES will not be incurred because there will not be an expansion of outstation sites staff by county employees. If additional county workers were necessary under the proposed legislation, there would be costs for increased county eligibility workers and training costs. Up to six days of initial CARES training would be required for each new person with access at a cost of \$800 per day or \$4,800 for the six day training session. Assuming it would require two sessions of training to cover the new workers, the total cost estimated would be \$9,600. This cost would increase as DWD/DHFS efforts to expand outstationing were successful.

With respect to the requirement that DWD jointly develop with DHFS a plan to modify CARES, a cost is difficult to estimate without knowing the extent to which CARES changes are intended with the bill. Currently, caseworkers who are not the primary caseworker can already have access to CARES for the purposes of determining MA eligibility and querying the case. While CARES can determine eligibility for all assistance programs at once, clients have the choice of what programs they wish to access. If the intent is to do a complete redesign to allow workers to apply for and process MA applications without also doing a request for assistance for other programs simultaneously, a plan for conducting such a redesign would take a year or more potentially. The staff and resources that would need to be dedicated to the planning for this redesign would be extensive, and cannot be estimated.

**Long-Range Fiscal Implications**

Agency/Prepared by:(Name & Phone No.)

DWD / Kim Markham 267-3200

Authorized Signature/Telephone No.

*[Signature]*

Date

3-9-00

# FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect DOA-2047(R10/94)	<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Updated	LRB or Bill No./Adm Rule No. SB-419 / LRB-4592/1	Amendment No.
	<input type="checkbox"/> Corrected	<input type="checkbox"/> Supplemental		

Subject  
MA ELIGIBILITY

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal Impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringes	\$0	- \$0
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs	\$270,400	- \$0
Local Assistance	\$0	- \$0
Aids to Individuals or Organizations	\$0	- \$0
<b>TOTAL State Costs by Category</b>	<b>\$270,400</b>	<b>- \$0</b>
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$135,200	- \$0
FED	\$135,200	- \$0
PRO/PRS	\$0	- \$0
SEG/SEG-S	\$0	- \$0
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$0	- \$0
GPR Earned	\$0	- \$0
FED	\$0	- \$0
PRO/PRS	\$0	- \$0
SEG/SEG-S	\$0	- \$0
<b>TOTAL State Revenues:</b>	<b>\$0</b>	<b>- \$0</b>

### NET ANNUALIZED FISCAL IMPACT

Net Change in Costs:	<u>STATE</u> \$270,400	<u>LOCAL</u> \$0
Net Change in Revenues:	\$0	\$0

Agency/Prepared by:(Name & Phone No.) DWD / Kim Markham 267-3200	Authorized Signature/Telephone No. 	Date 3-9-00
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**DEPARTMENT OF WORKFORCE DEVELOPMENT  
TESTIMONY – SB 419  
MEDICAL ASSISTANCE ELIGIBILITY  
MARCH 9, 2000**

Good Morning – my name is Rick Zynda, Director of the Office of Food Stamps and Medical Assistance in the Department of Workforce Development.

The Department is testifying in opposition of SB 419.

We met with Representative Riley's office on January 21 to discuss the provisions of this bill. The meeting included representatives from the Department of Workforce Development, Department of Health & Family Services, Aurora Hospitals of Milwaukee, and Milwaukee County Department of Human Services.

At the meeting, we agreed to evaluate the potential for a pilot project in at least one of the Milwaukee hospitals that is already an outstation site, where Milwaukee County eligibility workers take applications for Medicaid and other supportive services programs.

The pilot will allow Milwaukee County eligibility workers outstationed at a hospital to access existing cases in the CARES automated system, already open for some other programs, to begin the Medicaid eligibility process at the hospital location. This pilot will allow access to a case by more than one eligibility worker – to determine if there are any issues concerning the accuracy and correct processing of such cases when more than one worker is involved in determining eligibility and making changes to the case. The Department's primary concern has been that there not be any adverse effect on the accuracy of the eligibility and benefits in open food stamp cases that subsequently apply for Medicaid at an outstation site. The federal government imposes stiff penalties on the state if our food stamp error rate exceeds the national average.

Following this meeting, representatives of the same organizations met in Milwaukee on February 7 and agreed to conduct the pilot at two hospitals, St. Luke's and Sinai Samaritan. Milwaukee County agreed to closely monitor the necessary exchange of information between the outstationed workers and the ongoing workers in existing cases, to assure accuracy of all benefits. The pilot will be evaluated after 2-3 months of operation for effectiveness and potential for expansion to other outstation sites in Milwaukee and statewide.

Concerning the other part of the bill, which would require changes to the CARES system to allow for eligibility to be determined for a specific program, the system already has that capability. CARES allows testing for one program, such as Medicaid, or multiple programs, including food stamps, child care and W-2, based on the request of the individual. This allows the person or family to be tested for any supportive services contained in CARES – using the concept of one-stop-shopping at any main local agency locations, satellite offices, or outstation sites.

Therefore, CARES functionality currently provides what the bill is requesting. If this provision became law, in some situations, it could have the effect of limiting the Department's ability to give individuals the full array of services they may be eligible for.

If the intent is to do a complete redesign to allow workers to process only Medical Assistance applications without being able to do a request for assistance for other programs simultaneously, a plan for conducting such a redesign would take a year or more potentially. The staff and resources that would need to be dedicated to the planning for this redesign would be extensive.

Thank you for the opportunity to testify today. I would be happy to respond to any questions you may have.



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TO: Senator Judy Robson, Chair  
Member of the Senate Human Services and Aging Committee

FROM: Tom Reilly

RE: Senate Bill 419

DATE: March 9, 2000

Thank you Chairperson Robson and members of the committee. My name is Tom Reilly, Manager of Legislative Affairs for Aurora Health Care. I am here today to share our perspective as to why changes to the CARES system are needed, and the kinds of solutions that can resolve these problems.

I'd like to briefly give you some background on this topic. In 1998, the Legislature approved funding to establish Medicaid outstation units in hospitals and clinics throughout Milwaukee where eligible individuals can apply for Medicaid and BadgerCare. This was an important development. For the first time patients were able to enroll in health insurance programs within the walls of the hospital or clinic they were visiting. This outreach has proven valuable. However, it has not reached its potential for a variety reasons. Some of those reasons directly relate to the operations of the CARES computer system.

The CARES system is a computer system that enrolls eligible individuals in a variety of public programs, including Medicaid, food stamps, child care benefits, and others. Once an individual or his/her family member has been assigned a caseworker under the CARES system, they cannot receive assistance from another caseworker. Once someone has been assigned a caseworker, this is considered an "open case". It is all of these open cases that prevent the outstation units from becoming more successful.

If someone has a previously assigned caseworker for food stamps or child care, they have an open case. If someone has enrolled in Medicaid and therefore has an open case, and subsequently misses a review with a caseworker, they are cut off from Medical Assistance. This difficult situation is compounded by the fact that the outstation workers are not able to assist these individuals. They are referred back to their original caseworker, who is often unavailable or unreachable. Homelessness, language barriers, and inaccessibility of caseworkers are some of the reasons for missed reviews.

Since this legislation was drafted, Aurora Health Care and Milwaukee County have agreed to work on pilot project that would give County workers stationed in our hospitals full access to the CARES computer system. We are very hopeful that this project will significantly facilitate Medicaid enrollment in our hospitals. For example, at Sinai Samaritan Medical Center, our emergency room treats 800 people per month without health insurance. Our outstation site enrolls about 60 people per month into the Medicaid program. We believe we will at least double this figure when the county worker is given full access to the CARES system.