Wisconsin Department of Administration
Division of Executive Budget and Finance

Fiscal Estimate - 2023 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number **23-1377/1**	Introduction Number **SB-0110**

Description
extension of eligibility under the Medical Assistance program for postpartum women

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
   ☐ School Districts ☐ WTCS Districts

Fund Sources Affected
☒ GPR ☒ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEGS

Affected Ch. 20 Appropriations
s. 20.435 4(b) and 4(o)

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DHS 3/27/2023

LRB Number **23-1377/1**	Introduction Number **SB-0110**	Estimate Type **Original**
Description extension of eligibility under the Medical Assistance program for postpartum women		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, pregnant individuals in Wisconsin are eligible for Medicaid at a higher income threshold than non-pregnant adults. Pregnant individuals with incomes up to 306 percent of the federal poverty level are eligible for Wisconsin Medicaid. As required by federal code and state statute, this eligibility extends to the last day of the month that contains the 60th day following the end of the pregnancy. After this post-pregnancy period, Medicaid members can retain eligibility as a parent or childless adult if their income is below 100 percent of the federal poverty level.

Under 2021 Wisconsin Act 58, the Department of Health Services is directed to seek federal approval for a state plan amendment or waiver to extend eligibility to the last day of the month that contains the 90th day following the end of the pregnancy. Eligibility would only be extended if federal approval is granted. One June 3, 2022, the Department received approval from the Legislature's Joint Committee on Finance to submit the waiver request, and it was submitted to CMS the same day. As of this writing, the waiver remains under CMS review.

This bill requires the Department of Health Services to seek approval from the federal Department of Health and Human Services to extend until the last day of the month in which the 365th day after the last day of the pregnancy falls Medical Assistance benefits to women who are eligible for those benefits when pregnant. Eligibility would only be extended if federal approval is granted. The American Rescue Plan Act of 2021 changed federal Medicaid law to allow states the option to extend post-pregnancy coverage to 365 days through a state plan amendment.

This estimate compares the bill's provisions to the current-law Medicaid program. Based on expected ongoing annualized enrollment and costs for FY25, it is projected that extending post-pregnancy coverage to the last day of the month that contains the 365th day following the end of a pregnancy would increase average monthly Medicaid enrollment by 5,290 members. Members qualifying for the extended eligibility are projected to incur costs of approximately $337 per month, on average. The total annualized cost of this increased enrollment is projected to be $21.4 million all funds ($8.4 million GPR) compared to the current 60-day eligibility period.

Long-Range Fiscal Implications