

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-3223/1	Introduction Number AB-0592	
Description extension of eligibility under the Medical Assistance program for postpartum women		
Fiscal Effect		
State:		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local:		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <u>0</u> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected		
<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 4(o)		
Affected Ch. 20 Appropriations		
Agency/Prepared By	Authorized Signature	Date
DHS/ Mitchell McFarlane (608) 266-9359	Andy Forsaith (608) 266-7684	10/26/2021

Fiscal Estimate Narratives

DHS 10/26/2021

LRB Number	21-3223/1	Introduction Number	AB-0592	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. The Department of Health Services has not yet sought the section 1115 waiver required for an extension of post-pregnancy eligibility.

This bill directs the Department of Health Services to seek federal approval for a state plan amendment or waiver to extend post-pregnancy eligibility to the last day of the month that contains the 365th day following the end of the pregnancy. 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 on an ongoing basis to extend post-pregnancy coverage to 365 days through a state plan amendment.

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 6,150 members, and these members qualifying for the extended eligibility are projected to incur costs of approximately \$354 per month, on average. The total annualized cost of this increased enrollment is projected to be \$26.1 million all funds (\$10.4 million GPR) compared to the current 60-day eligibility period. Act 58 appropriated \$2.5 million all funds and \$1 million GPR in FY23 to fund costs associated with extending enrollment from the current 60 days to 90 days. When subtracting the amounts already appropriated in Act 58, the total annualized cost of this bill is projected to be \$23.6 million all funds (\$9.4 million GPR).

Long-Range Fiscal Implications