



Testimony in Support of Assembly Bill 148
Assembly Committee on Health, Aging, and Long-Term Care
Wednesday, April 12, 2023

Chairman Moses, Vice Chair Rozar and members of the committee,

Thank you for the opportunity to submit testimony in support of Assembly Bill 148. This legislation, by prohibiting automatic renewal, requiring eligibility redetermination, removal of ineligible recipients, and data sharing among other agencies, will get our state back to normal operations and make Medicaid more efficient and secure moving forward.

During the COVID-19 public health crisis, the federal government increased the Medicaid match rate by 6.7%. In return for this enhanced match, states were prohibited from removing existing participants from the program, regardless of whether they were still eligible for assistance. However, the federal government is phasing out this match increase by the end of this year and is now allowing states to disenroll ineligible recipients. Earlier this year, the Center for Medicaid Services (CMS) required each state to submit an unwinding plan detailing the state's plans for disenrolling ineligible Medicaid recipients. Disenrollment is expected and inevitable the growth of the Medicaid rolls without undergoing this process is unsustainable.

Over the course of the pandemic, almost 210,000 people were added to Medicaid rolls in Wisconsin with continuous coverage. The childless adult population increased by 96% between March 2020 to February 2023. By comparison, children on Medicaid increased by 5% and parents/caretakers grew by 20%. It is also worth noting that pregnant women have grown by 99% because women who are even two years post-partum are still enrolled. Undoubtedly, a number of people may have fallen on hard times during the height of the pandemic, but many have no doubt improved their situation since then.

We can look at the work done in Iowa to illustrate the improved circumstances of some of their Medicaid recipients. Over the course of the pandemic, Iowa continued to conduct eligibility redetermination without disenrolling anyone. This not only kept all enrollee information up to date, but they were able to uncover that over 36,000 enrollees were dual enrolled in Medicaid and private insurance. This becomes problematic when the state continues paying for a Medicaid enrollee that is not using their benefits. This is very likely to be the case in Wisconsin as well. Our Forward Health program pays monthly capitated rates to health management organizations that provide enrollees with their benefits and continues to pay whether the enrollee uses the benefits or not. State resources should be reserved for truly needy individuals, not those enrolled in private insurance plans.

The bill would also require DHS to verify eligibility every 6 months, instead of annually. This will improve program integrity and ensure that benefits are reserved for those that are truly in need. While this provision would require submittal of a waiver request to CMS, continually pushing the federal government for flexibility in administering state programs is a worthwhile endeavor.

This bill will also make Medicaid programs more efficient by requiring data sharing crosschecks with other state agencies that also administer programs that have financial eligibility requirements. Wisconsin's various public assistance programs often operate in separate silos. Data sharing will ensure that each agency has the most up to date financial eligibility information for public assistance recipients.

and ensure that benefits are reserved for those who need them most. The U.S. Department of Health and Human Services Administration for Children and Families (ACF) and Centers for Medicare & Medicaid Services (CMS) have released guides for data sharing between programs, and data sharing has been successfully implemented in multiple states such as Indiana and Massachusetts.

AB 148 is a necessary step forward in the maintenance and improvement of our Medicaid system and ensure its benefits are directed to those that truly need it. I strongly encourage this committee to support this bill. Thank you again for the opportunity to submit testimony and for your time.

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