

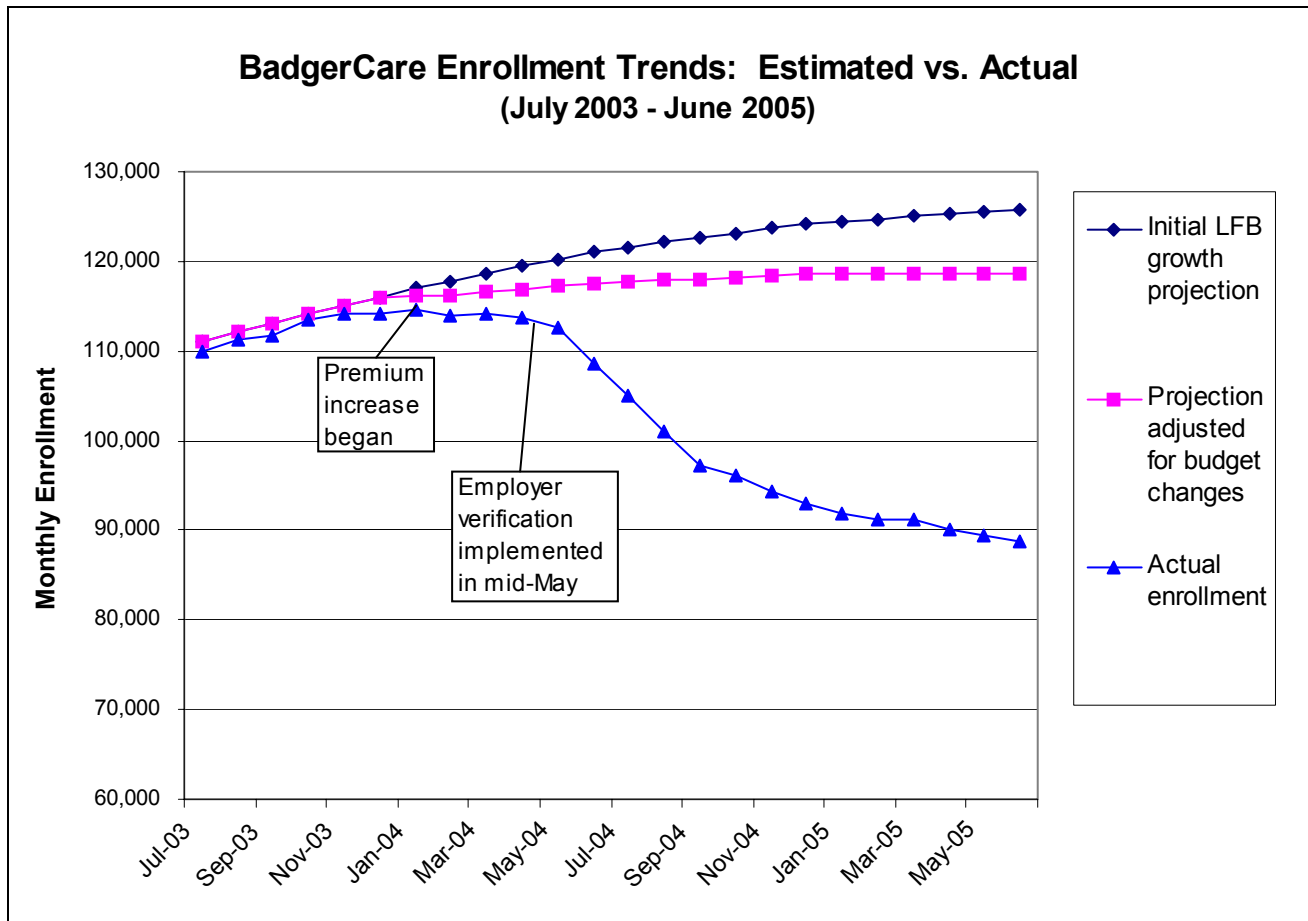
For Immediate Release
September 14, 2005

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DHFS Report on BadgerCare Verification Released ***Families Still Qualify; Process Too Complicated for Users and Employers***

Madison – The Department of Health and Family Services (DHFS) released a report today that shows verification requirements enacted in the 2003-2005 state budget had the unintended effect of excluding thousands of eligible families and children from the BadgerCare program. The Wisconsin Council on Children and Families had encouraged DHFS to make changes based on concerns that the policy was reducing health care access for poor children and families. Today’s report makes a number of departmental policy recommendations to help rectify the problem.

“After the new verification requirements were initiated, more than 25,000 people lost BadgerCare coverage from April 2004 through June 2005, which was a 22 percent decrease. The plunging enrollment came during a period when program participation should have been increasing, given the trends in employer-sponsored health care coverage,” Jon Peacock, research director for the Wisconsin Council on Children and Families said.



DHFS conducted a comprehensive study of the decline, and their report indicates that the drop-off was almost exclusively because of the new hurdles created for BadgerCare applicants and also for participants when they have their annual review of eligibility. The report demonstrates that there was no apparent increase in the number of people found to be ineligible; the enrollment decline was simply a matter of people being unable to navigate the additional hurdles placed in their way.

“We commend the department for conducting such a thorough analysis of the effects of this policy on reducing the caseload and for developing recommendations to ameliorate the problem. We support all of the recommendations – particularly assessing whether there are better ways to find out whether a worker has access to employer-subsidized insurance,” Peacock said. “Given the decline in employer-based health care insurance coverage, BadgerCare is needed more than ever for Wisconsin’s working poor.”

Initiated in 1999 and funded with state and federal dollars, as well as with enrollment fees and co-pays, BadgerCare offers health care for low-income working families who are not offered health care through their employer. Last month more than 28,000 children and 61,000 parents received health care coverage under BadgerCare.

Peacock commented that the preference of the Wisconsin Council on Children and Families would be for the state to repeal the verification requirements that were initiated last year, “since it has now been shown that they are negatively impacting thousands of children and parents.” However, he noted that in light of the current fiscal climate it is not clear whether there would be legislative support for that change.

“Although we would have liked the recommendations to go further, we applaud the department and the legislature for making administrative changes that should reduce the negative effects caused by the additional red tape,” Peacock said. “After those changes are implemented, it will be critically important to assess whether the current problems have been eliminated and to reexamine whether the verification requirements should be retained.”