

**Wisconsin Council on Children and Families**

555 W. Washington Ave., Suite 200

Madison, WI 53703

Phone (608) 284-0580

Health Care Coverage – August 28 (2008 Issue # 8)

Wisconsin Budget Project – WCCF

Jon Peacock ([jpeacock@wccf.org](mailto:jpeacock@wccf.org))

Please feel free to forward messages to any other interested parties, and encourage others to sign up for this and/or other WCCF mailing lists at <http://capwiz.com/wccf/mlm/signup/>.

**NOTE: This Friday, Aug. 29, is the registration deadline for the Poverty Matters conference.** For more information, see item #5.

In this issue:

1. Census Stats Show Drop in the Uninsured, Thanks to Growth in Public Coverage
2. Uncompensated Care for the Uninsured Expected to Reach \$56 Billion This Year
3. CMS Backs Down (a Little) on Aug. 17 Directive
4. BadgerCare Plus Updates
5. Poverty Matters Conference - Aug. 29 Registration Deadline
6. Advocates Seek Increase in MA Funds in New Stimulus Package
7. Autism Insurance News
8. Other Health Care Issues in the News
9. Reading Room

---

**1. CENSUS STATS SHOW DROP IN THE UNINSURED, THANKS TO GROWTH IN PUBLIC COVERAGE**

On Tuesday the Census Bureau released the latest data on the number of Americans without health insurance. The estimated number of uninsured individuals fell to 45.7 million in 2007 from 47.0 million in 2006. There was also a decline in Wisconsin.

According to Karen Davis of the Commonwealth Fund: "This decline of 1.3 million uninsured people was exactly equal to the growth in coverage under Medicaid. In contrast, employment-based coverage declined slightly, from 59.7 percent of the population to 59.3 percent--despite a growth in real median income. ...The major bright spot in these new data was an increase in coverage for children, with the numbers of uninsured children declining from 8.7 million to 8.1 million, from 11.7 percent to 11.0 percent. This improvement was a reflection of increased coverage for children under government health insurance programs, which rose from 29.8 percent in 2006 to 31.0 percent in 2007."

Because the state level estimates are based on small samples, the Census Bureau averages together 2 or 3 years of state data. The 2006-07 average for WI shows about 466,000 uninsured all year, compared to 530,000 for 2004-05. WI had the fourth lowest percentage of uninsured state residents and is one of just 5 states (the others being CT,

IN, MA, & WV) to see a statistically significant decrease in the rate of uninsured over the past two years. The new Census Bureau figures predate the implementation of BadgerCare Plus, and that program is shrinking the ranks of the uninsured.

While the drop in the number of uninsured is good news, there's obviously a lot of room for improvement - with nearly half a million people in WI uninsured all year and a staggering number of uninsured nationally: 45.7 million. This means that millions of people do not have access to needed health care, struggle under a load of medical debt, and all too often must choose between medical care and other essentials. Item #2 (below) summarizes a new study regarding some of the economic consequences of going without health insurance.

The Census Bureau stats paint a mixed picture on trends in poverty - with the Current Population Survey showing an increase, while the American Community Survey shows a slight decrease. In either case, the numbers are alarming, because 2007 was the last year of a 6-year economic recovery, yet poverty was significantly worse than it was during the 2001 recession! (For more on that score, see the CBPP analysis: <http://www.cbpp.org/8-26-08pov.htm>.)

The new data make it clear that when Congress returns an increase in SCHIP funding should be a high priority, and states need fiscal relief to help with higher caseloads and declining state revenue (see item #6, below). At both the state and federal level, there should be quick attention to measures like establishing universal health care, improving access to education and skills training for low-income workers, maintaining and improving income support programs, and increasing access to quality early education for low-income families.

WCCF's press release about the figures relating to poverty, median income, and health care coverage can be found on our website at:  
[http://www.wccf.org/pdf/census\\_data\\_082608pr.pdf](http://www.wccf.org/pdf/census_data_082608pr.pdf)

A good article in the Journal Sentinel discusses the health care coverage trends and political implications:  
<http://www.jsonline.com/story/index.aspx?id=787889>

You can find the new Census Bureau stats at:  
<http://www.census.gov/hhes/www/hlthins/hlthin07.html>

-----  
**2. UNCOMPENSATED CARE FOR THE UNINSURED EXPECTED TO REACH \$56 BILLION THIS YEAR**

Uninsured U.S. residents will spend about \$30 billion out-of-pocket on health care this year, while other parties -- mainly the government -- will spend about \$56 billion on uncompensated care for the uninsured, according to a study published online Monday in the journal Health Affairs, the Wall Street Journal reports. The report, by Jack Hadley of

George Mason University and colleagues, found that government programs pay about 75% , or \$42.9 billion, of the amount uninsured individuals are unable to pay for services received.

The report concludes that the total additional cost to the health system of covering all uninsured U.S. residents in 2008 would be \$122.6 billion, driven by the fact that insured people tend to use more health care services than the uninsured.

Access to the study, prepared for the Kaiser Family Foundation's Commission on Medicaid and the Uninsured, is available online:

<http://content.healthaffairs.org/cgi/content/full/hlthaff.27.5.w399/DC1>

-----

### 3. CMS BACKS DOWN (A LITTLE) ON AUG. 17 DIRECTIVE

The Bush administration announced in mid-August that it will not enforce policies that would have made it more difficult for states to enroll children in the State Children's Health Insurance Program (SCHIP). Those policies - which were part of the directive issued by CMS on August 17, 2007 - would have prevented states from using SCHIP funds for children over 250% of the federal poverty level (FPL) without meeting onerous new requirements. The states already using SCHIP funds for kids over that income level were required by August 17 of this year to enroll 95% of children below the poverty level and to impose a one-year waiting period for uninsured children over 250% of FPL.

Many governors and Democratic lawmakers criticized the requirements in the directive as impossible to meet. They said the final result would be that more children would go without health coverage as states reined in their programs. The news from CMS followed on the heels of a letter California sent to CMS, indicating that the state would not follow the directive. Several other states have sued CMS over the directive, and opinions by the Congressional Research Service and Government Accountability Office have called into question the directive's legality.

[http://www.nytimes.com/2008/08/15/washington/15brfs-CHILDRENSHEA\\_BRF.html](http://www.nytimes.com/2008/08/15/washington/15brfs-CHILDRENSHEA_BRF.html)

Despite the recent news from CMS, the directive continues to negatively affect WI because our state was unable to get CMS approval to use SCHIP or MA funds for kids or pregnant women enrolled in BadgerCare Plus who have family incomes above 250% of FPL. As a result, WI pays the entire subsidy (with no federal match) for kids and pregnant women between 250 and 300% of FPL.

-----

### 4. BADGERCARE PLUS NEWS

Growth in BadgerCare Plus (BC+) enrollment slowed in July, climbing by roughly 360 people during that month. Still, DHS calculates that the increase in family coverage over the initial 6 months of the new program is more than 77,000, including more than 50,000 children. (I'll analyze the numbers more carefully in a future update.) You can find state

and county figures at:

<http://dhs.wisconsin.gov/badgercareplus/enrollmentdata/enrolldata.htm>

As the Wisconsin Radio Network reported, the Covering Kids and Families coalition worked with several school districts around the state on organizing back-to-school enrollment events for BC+ last week:

<http://www.wrn.com/gestalt/go.cfm?objectid=E72F29C6-B13C-6DAC-E54C841E925931C8>

An August 14 article in the Journal Sentinel reports on the back-to-school enrollment efforts and summarizes recent findings of a Robert Wood Johnson (RWJ) report about the benefits of health care coverage for kids.

<http://www.jsonline.com/story/index.aspx?id=783191>

Governor Doyle applauded BC+ during his recent "Up North" tour, and he spoke again about the need to cover childless adults. In addition, he cited the RWJ report in a recent press release:

<http://thewheelerreport.com/releases/Aug08/aug14/0814govbadgercare.pdf>

---

## 5. POVERTY MATTERS CONFERENCE - AUG. 29 REGISTRATION DEADLINE

Friday is the deadline to register for the **Poverty Matters conference**, which will be held **Sept. 18-19** at the Radisson Paper Valley Hotel in Appleton.

This is the annual conference of the WI Community Action Program Association [formerly the "Women & Poverty Conference"], which brings together human service professionals, community leaders, state officials, low-income people, advocates, and educators to talk about the causes and solutions to poverty. It combines extensive training on poverty issues, best practices, advocacy & media strategies with a supportive and dynamic networking environment.

The conference provides a terrific opportunity for you (and others from your community/coalition) to hone your advocacy skills, increase your knowledge about the impacts of poverty & the solutions, and learn what other communities & organizations are doing to address poverty locally and at the state level.

This year's conference features Special Guest Speakers: Reggie Bicha, Secretary, WI Department of Children & Families, and Jodie Levin-Epstein, Deputy Director of the Center for Law & Social Policy (CLASP).

For the conference brochure (including detailed workshop descriptions), registration and other information, go to:

[http://wiscap.org/ec\\_conference\\_wp\\_main\\_page.asp](http://wiscap.org/ec_conference_wp_main_page.asp)

---

## 6. ADVOCATES SEEK INCREASE IN MA FUNDS IN NEW STIMULUS PACKAGE

Many Democrats have been pushing for Congress to take up a second economic stimulus package this fall. In light of the effects the recession has had on increasing state spending for Medicaid, while cutting sharply into state tax collections in most states, one of the items under serious conversation for inclusion in the stimulus package is a temporary increase in federal match rate for Medicaid, often known as the FMAP (federal medical assistance percentage). An FMAP increase was used to provide economic relief to the states during the last economic downturn in 2003.

The Alliance for Children and Families, AFSCME and Families USA are jointly circulating among national, state and local groups a sign-on letter to House and Senate leadership in support of the FMAP increase. The draft letter is posted at: <http://www.familiesusa.org/assets/pdfs/medicaid-coalition-stuff/september-fmap-letter.doc>

If you are interested in signing onto the letter, contact Linda Bennett at AFSCME ([LBennett@afscme.org](mailto:LBennett@afscme.org)) or Lena at Families USA ([lorourke@familiesusa.org](mailto:lorourke@familiesusa.org)).

There has been some Republican support for an FMAP increase. On July 29, 16 Republicans sent a letter to Speaker Pelosi and Republican Leader Boehner urging a temporary increase in the FMAP and in general funding aid to states. (None of Wisconsin's GOP members of the House signed onto that letter.)

A brief about the issue prepared by Families USA contains talking points and shows how much each state could gain from a temporary FMAP increase (including not only the federal dollars, but also the increase in economic activity and job growth by state. A one-year FAMP increase of 2.75 percentage points would increase federal MA funding in WI by an estimated \$195.6 million in FY 2010.

<http://www.familiesusa.org/assets/pdfs/medicaid-coalition-stuff/7-15-econ-impact-hr-5268.pdf>

---

## 7. AUTISM INSURANCE UPDATES

In July, Pennsylvania enacted a law that will require health insurers to cover treatment for autism. Effective in July 2009, the new law requires private health insurance companies in the state to provide diagnosis and treatment coverage of up to \$36,000 per year for residents under age 21 with autism spectrum disorder. It also requires insurers to provide coverage for applied behavioral analysis therapy. Health plans that provide coverage to businesses with less than 50 employees will be exempt from the new law.

<http://www.philly.com/philly/news/homepage/25844319.html>

In mid-August, a WI Group -- Wisconsin Autism Insurance Now - released the results of a survey that shows 85% of likely Badger State voters support legislation requiring insurance companies to pay for autism treatments.

<http://www.wrn.com/gestalt/go.cfm?objectid=B8C594FB-B879-BE66-FD511FA6316FCBA0>

Governor Doyle also continues to speak out for coverage of autism treatment. The Aug. 22 Lakeland Times reported on remarks Doyle made on the issue during his recent "Up North Tour":

"This is a real passion of mine," Doyle said, recalling the families he's watched struggle with securing adequate autism care for their children. "We really need to require health insurance to cover autism in this state ... We spend more in Wisconsin on autism, public dollars, than any other state in the country, and yet it isn't anywhere near adequate - and we have waiting lists for help since there's no other help, since there's no private insurance."

<http://www.lakelandtimes.com/main.asp?SectionID=9&SubSectionID=9&ArticleID=8300&TM=39404.23>

-----

## 8. OTHER HEALTH CARE ISSUES IN THE NEWS

-- "Business owners want affordable health plans" - Aug. 27, Wausau Daily Herald - "Making health care more affordable is crucial to the survival of small businesses, local business owners said. State Rep. Donna Seidel, D-Wausau, and state Sen. Kathleen Vinehout, D-Alma, met with about 10 Wausau-area small-business owners Tuesday. Seidel said the legislators wanted to hear small-business owners' health care concerns and gather input. Figures from the U.S. Census Bureau show the number of people without insurance declined nationwide from 15.8 percent in 2006 to 15.3 percent in 2007, though the percentage of people with employer-based coverage dropped by 0.4 percent during that time. About 8.8 percent of Wisconsinites were without insurance in 2007."

<http://www.wausaudailyherald.com/apps/pbcs.dll/article?AID=/20080827/WDH0101/808270726/1981>

-- "At convention, Baldwin gets her health care message across" - Aug. 27, Capital Times - Rep. Baldwin addressed health care issues in her Speech at the Democratic Convention Tuesday and shared the story of a constituent driven into bankruptcy because of their insurance policy's cap on coverage of cancer treatments.

<http://www.madison.com/toolbox/index.php?action=printme2&ref=tct&storyURL=%2Ftct%2Fnews%2Fstories%2F302313>

-- "There are steps toward health care reform" - Aug. 26 op-ed by Senator Kathleen Vinehout

<http://www.jacksoncountychronicle.com/articles/2008/08/27/opinion/00vinehout.txt>

-- "Total of uninsured unknown" - Aug. 25, Journal Sentinel - "The U.S. Census Bureau will release its annual estimate of the number of people without health insurance on Tuesday, and the figure is almost certain to be much cited in the coming elections. It also will conflict with the estimates from two other main surveys done by the federal government and with surveys done by Wisconsin and other states. The truth is that no one

knows just how many people in the United States are without health insurance. All that is known is the number is big, and growing."

<http://www.jsonline.com/story/index.aspx?id=786386>

-- "Protections Set for Antiabortion Health Workers; Opponents Denounce Proposed Regulation Allowing Federal Officials to Pull Funding" - Aug. 22, Washington Post - "The Bush administration yesterday announced plans to implement a controversial regulation designed to protect doctors, nurses and other health-care workers who object to abortion from being forced to deliver services that violate their personal beliefs. The rule empowers federal health officials to pull funding from more than 584,000 hospitals, clinics, health plans, doctors' offices and other entities if they do not accommodate employees who refuse to participate in care they find objectionable on personal, moral or religious grounds."

<http://www.washingtonpost.com/wp-dyn/content/story/2008/08/21/ST2008082103218.html>

-- "Time to step up" - July 4 Journal Sentinel editorial - "Wisconsin's congressional delegation needs to show leadership on a national study on children's health that would look at kids in Waukesha County. - "Twenty-four members of Congress have formed a working group to support funding for an unprecedented \$2.7 billion study to understand such common childhood ailments as asthma, obesity and autism. Not one of those members is from Wisconsin, which strikes us as odd given that Waukesha County is one of a handful of pilot sites chosen for the study. Members of the Wisconsin delegation need to join the group and add their muscle in the funding fight."

<http://www.jsonline.com/story/index.aspx?id=768972>

---

## 9. READING ROOM

-- "Health Care in Massachusetts: Key Indicators" - The latest report from Massachusetts on its universal health care plan says that two-thirds of the 600,000 or so Bay Staters who were uninsured two years ago now have coverage. Just under half of them bought their insurance through the private sector; the rest are in subsidized plans. The state is trying to figure out how to pay for its success, which is bigger and sooner than expected, but there are also some savings. Emergency room visits are down, and the state reports it spent 41% less for uncompensated care in the first quarter of fiscal 2008 than it did a year earlier - a savings for the state of \$68 million. You can find the report at: [http://www.mass.gov/Eeohhs2/docs/dhcfp/r/pubs/08/key\\_indicators\\_0808.pdf](http://www.mass.gov/Eeohhs2/docs/dhcfp/r/pubs/08/key_indicators_0808.pdf)  
Source: Governing.com (<http://13thfloor.governing.com/>)

-- Increased Coordination Between CMS, IHS Could Improve Quality of Care for American Indians, GAO Report Finds

<http://www.gao.gov/docsearch/abstract.php?rptno=GAO-08-724>

[http://www.kaisernetwork.org/daily\\_reports/rep\\_index.cfm?DR\\_ID=53912](http://www.kaisernetwork.org/daily_reports/rep_index.cfm?DR_ID=53912)

-- "What's So Bad About Enforcing the Law?" (regarding HSAs) - In April, the House of Representatives passed a bill to prevent individuals with Health Savings Accounts from easily, but illegally, evading taxes. In this commentary, Lisa Clemans-Cope of the Urban Institute says, "the loudest response has been opposition from the insurance industry and its political allies," and she questions that opposition. Her commentary concludes: "The wealthy are disproportionately advantaged by the legal use of HSAs; why would we want to devote more tax dollars [for HSA tax breaks] to allowing their misuse?" [http://www.urban.org/health\\_policy/url.cfm?ID=901173](http://www.urban.org/health_policy/url.cfm?ID=901173)

-- "Growing disparities in life expectancy" - Although life expectancy has grown for all Americans in recent decades, the gains have been increasingly uneven and dependant on income, according to a short analysis published in July by the Economic Policy Institute. In 1980, those with the highest socio-economic status had a life expectancy 2.8 years higher than those with the lowest status (75.8 versus 73.0 years, respectively). By 2000, that gap had grown: those in the top tenth had attained a life expectancy of 79.2 years -- 4.5 years more than those in the bottom tenth. Disparities in life expectancy also increased between the top and the middle tenth, and between the middle and the bottom. [http://www.epi.org/content.cfm/webfeatures\\_snapshots\\_20080716](http://www.epi.org/content.cfm/webfeatures_snapshots_20080716)

-- New AAP National Center for Medical Home Implementation - The American Academy of Pediatrics (AAP) recently announced that it has been awarded a 5-year cooperative agreement grant from the federal Maternal and Child Health Bureau (MCHB) as part of the Health Resources and Services Administration's (HRSA) New Freedom Initiative, a comprehensive plan to achieve appropriate community based service systems for children and youth with special health care needs and their families. The grant supports the new National Center for Medical Home Implementation, which will promote medical home implementation in order to ensure that all children and youth, including those with special health care needs, have the services and support necessary for full community inclusion. The Center aims to accomplish this by supporting effective implementation of medical home among pediatric health care providers, public health professionals, families, and all others who care for children. Resources, information, and tools are accessible at the Center's Web site: [www.medicalhomeinfo.org](http://www.medicalhomeinfo.org).

-----  
SUPPORT WCCF!

WCCF offers our e-materials and publications free of charge. We can't do it without your help. You can donate online: <https://payments.auctionpay.com/ver3/?id=w043832>

Thanks for your support.