November 19, 2013

The Honorable Scott Walker Governor of Wisconsin 115 East Capitol Madison, WI 53702

Dear Governor Walker,

We are writing to express our concern about the impending health insurance coverage gap that could result for the 80,000 individuals under 100% of the poverty level, as a consequence of your recent proposal to the state legislature.

Last Thursday, November 14th, we felt relief when you announced that you would allow a three-month extension of BadgerCare coverage to the approximately 77,000 low-income Wisconsinites whose coverage is due to expire on January 1, 2014. Given the challenging rollout of the Marketplaces thus far, we agree with your assessment that these individuals—who are scheduled to be transferred to the Affordable Care Act Health Insurance Marketplaces—would benefit from a longer enrollment period. We also support your proposal to extend the state's high-risk insurance plan, known as the Health Insurance Risk-Sharing Plan (HIRSP), for three additional months.

However, we are gravely concerned about the fate of the 80,000 individuals under 100% of the poverty line, who were promised access to BadgerCare as of January 1, 2014 in your budget request. As you know, your budget would have granted BadgerCare eligibility to all those under the poverty level, including childless adults. Your Department of Health Services has been engaging in an outreach plan to the newly-eligible population, and some individuals who have applied for BadgerCare (through the Marketplaces or elsewhere) have already received confirmations of BadgerCare coverage. We were dismayed to learn that you now plan to renege on the promise to cover those below the poverty line in January 2014, and have now proposed delaying their eligibility until April 1, 2014.

The key source of our concern is that individuals below 100% of the poverty level are ineligible for premium tax credits to purchase coverage in the Marketplace. As a result of your budget proposal, the newly-eligible BadgerCare population will fall into a three-month gap in coverage; they will be unable to sign up for the BadgerCare program but also unable to purchase subsidized coverage in the Marketplace. Due to their low income level, they would not have the means to purchase coverage without a subsidy. This group would thus be in a unique and inequitable situation—essentially, worse off and with fewer options than other Wisconsinites. Given that this is a vulnerable population—they are already living in poverty and are more likely to be in poor health than the rest of the overall population—we strongly urge you to reconsider your plan for this group.

We realize that you plan to utilize the "savings" from delaying coverage for the 80,000 individuals under the poverty line to pay for coverage for about 77,000 parents currently on BadgerCare. However, we encourage you to seek alternative budgetary savings, which would allow you to provide coverage for both populations through March 2014. In addition, we once again recommend that you reconsider your choice not to fully expand BadgerCare under the Affordable Care Act. You have the option to expand BadgerCare with a 100 percent match for all newly-eligible enrollees. This funding would allow you to offset the cost of continuing coverage for BadgerCare enrollees above the poverty line.

It is time to move past politics and do what's right for Wisconsin. The Affordable Care Act provides the opportunity for Wisconsin to receive \$119 million to ensure that our most at risk populations have health care access and coverage. We urge you to join your Republican Governor colleagues and expand Medicaid. Gov. Jan Brewer of Arizona, Gov. Rick Snyder of Michigan, and Gov. John Kasich of Ohio, among others, recognized the need to move beyond political rhetoric and put their constituents' health first.

We remain dedicated to collaborating with you, and the Obama Administration, to ensure the best possible outcome for Wisconsin under the Affordable Care Act. We request that you consider our suggestions for the most vulnerable population in our state. We look forward to your response.

Sincerely,

Gwen Moore Member of Congress Ron Kind Member of Congress Mark Pocan Member of Congress

Cc: The Honorable Kathleen Sebelius, Secretary, U.S. Department of Health and Human Services