



State of Wisconsin  
2015 - 2016 LEGISLATURE

LRB-3317/1  
FFK&TJD:wlj

## 2015 ASSEMBLY BILL 462

October 27, 2015 - Introduced by Representatives POPE and BARCA. Referred to Committee on State Affairs and Government Operations.

\*\*\*AUTHORS SUBJECT TO CHANGE\*\*\*

1     **AN ACT to amend** 49.45 (23) (a), 49.471 (4) (a) 4. b. and 118.60 (2) (a) (intro.); and  
2             **to create** 49.471 (1) (cr), 49.471 (4g) and 118.60 (12) of the statutes; **relating**  
3             **to:** Medicaid expansion, eligibility for BadgerCare Plus and BadgerCare Plus  
4             Core, and ending the statewide parental choice program.

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### *Analysis by the Legislative Reference Bureau*

This bill phases out the statewide parental choice program and requires the Department of Health Services (DHS) to take the necessary steps to receive federal Medicaid expansion funding.

#### ***Statewide parental choice program***

Under this bill, beginning in the 2016-17 school year, no pupil may attend a private school under the statewide parental choice program unless the pupil was attending the private school under the statewide parental choice program in the 2015-16 school year. Also under the bill, beginning in the 2016-17 school year, no private school participating in the statewide parental choice program or the Racine parental choice program may accept a pupil who resides in a school district other than the Racine Unified School District or the Milwaukee Public School District unless the pupil attended that private school under the statewide parental choice program in the 2015-16 school year. In other words, no pupil may enter the statewide parental choice program after the 2015-16 school year. This limitation effectively ends the statewide parental choice program when all of the pupils who attended a private school under the statewide parental choice program during the 2015-16 school year have exited the program.

**ASSEMBLY BILL 462*****Medicaid expansion***

The bill changes the family income eligibility level to up to 133 percent of the federal poverty line for parents and caretaker relatives under BadgerCare Plus (BC+) and for childless adults under BadgerCare Plus Core (BC+ Core). Currently, DHS administers the Medical Assistance (MA) program, which is a joint federal and state program that provides health services to individuals who have limited financial resources. Some MA services are provided through programs that operate under a waiver of federal Medicaid laws, including services provided through the BC+ and BC+ Core programs. The federal Patient Protection and Affordable Care Act allows a state to receive an enhanced federal medical assistance percentage (FMAP) payment for providing benefits to certain individuals through a state's MA program. The bill requires DHS to comply with all federal requirements and to request any amendment to the state MA plan, waiver of Medicaid law, or other federal approval necessary to qualify for the highest available enhanced FMAP for parents and caretaker relatives and childless adults eligible for BC+ Core.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 49.45 (23) (a) of the statutes is amended to read:

2           49.45 **(23)** (a) The department shall request a waiver from the secretary of the  
3 federal department of health and human services to permit the department to  
4 conduct a demonstration project to provide health care coverage to adults who are  
5 under the age of 65, who have family incomes not to exceed ~~100~~ 133 percent of the  
6 poverty line ~~before application of the 5 percent income disregard under 42 CFR~~  
7 ~~435.603 (d), except as provided in s. 49.471 (4g),~~ and who are not otherwise eligible  
8 for medical assistance under this subchapter, the Badger Care health care program  
9 under s. 49.665, or Medicare under 42 USC 1395 et seq.

10           **SECTION 2.** 49.471 (1) (cr) of the statutes is created to read:

11           49.471 **(1)** (cr) "Enhanced federal medical assistance percentage" means a  
12 federal medical assistance percentage described under 42 USC 1396d (y) or (z).

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1           **SECTION 3.** 49.471 (4) (a) 4. b. of the statutes is amended to read:

2           49.471 (4) (a) 4. b. The Except as provided in sub. (4g), the individual's family  
3 income does not exceed ~~100~~ 133 percent of the poverty line ~~before application of the~~  
4 ~~5 percent income disregard under 42 CFR 435.603 (d).~~

5           **SECTION 4.** 49.471 (4g) of the statutes is created to read:

6           49.471 (4g) MEDICAID EXPANSION; FEDERAL MEDICAL ASSISTANCE PERCENTAGE. (a)  
7 For services provided to individuals described under sub. (4) (a) 4. and s. 49.45 (23),  
8 the department shall comply with all federal requirements to qualify for the highest  
9 available enhanced federal medical assistance percentage. The department shall  
10 submit any amendment to the state medical assistance plan, request for a waiver of  
11 federal Medicaid law, or other approval required by the federal government to  
12 provide services to the individuals described under sub. (4) (a) 4. and s. 49.45 (23) and  
13 qualify for the highest available enhanced federal medical assistance percentage.

14           (b) If the department does not qualify for an enhanced federal medical  
15 assistance percentage, or if the enhanced federal medical assistance percentage  
16 obtained by the department is lower than printed in federal law as of July 1, 2013,  
17 for individuals eligible under sub. (4) (a) 4. or s. 49.45 (23), the department shall  
18 submit to the joint committee on finance a fiscal analysis comparing the cost to  
19 maintain coverage for adults who are not pregnant and not elderly at up to 133  
20 percent of the poverty line to the cost of limiting eligibility to those adults with family  
21 incomes up to 100 percent of the poverty line. The department may reduce income  
22 eligibility for adults who are not pregnant and not elderly from up to 133 percent of  
23 the poverty line to up to 100 percent of the poverty line only if this reduction in income  
24 eligibility levels is approved by the joint committee on finance.

25           **SECTION 5.** 118.60 (2) (a) (intro.) of the statutes is amended to read:

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1           118.60 (2) (a) (intro.) Subject to pars. (ag) and (ar), any pupil in grades  
2 kindergarten to 12 who resides within an eligible school district may attend any  
3 private school under this section and, subject to pars. (ag), (ar), (be), (bm), and (bs)  
4 and sub. (12), any pupil in grades kindergarten to 12 who resides in a school district,  
5 other than an eligible school district or a 1st class city school district, may attend any  
6 private school under this section if all of the following apply:

7           **SECTION 6.** 118.60 (12) of the statutes is created to read:

8           118.60 (12) (a) Beginning in the 2016-17 school year, a pupil who resides in a  
9 school district, other than an eligible school district or a 1st class city school district,  
10 may not attend a participating private school under this section unless the pupil  
11 attended that participating private school under this section in the 2015-16 school  
12 year.

13           (b) Beginning in the 2016-17 school year, a private school participating in the  
14 program under this section may not accept a pupil who resides in a school district  
15 other than an eligible school district or a 1st class city school district unless the pupil  
16 attended the private school under this section in the 2015-16 school year.

17           **SECTION 7. Fiscal changes.**

18           (1) **MEDICAID EXPANSION.** In the schedule under section 20.005 (3) of the statutes  
19 for the appropriation to the department of health services under section 20.435 (4)  
20 (b) of the statutes, as affected by the acts of 2015, the dollar amount for fiscal year  
21 2015-16 is decreased by \$113,100,000 to provide Medical Assistance to certain  
22 adults with incomes up to 133 percent of the federal poverty line. In the schedule  
23 under section 20.005 (3) of the statutes for the appropriation to the department of  
24 health services under section 20.435 (4) (b) of the statutes, as affected by the acts of  
25 2015, the dollar amount for fiscal year 2016-17 is decreased by \$247,400,000 to

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1 provide Medical Assistance to certain adults with incomes up to 133 percent of the  
2 federal poverty line.

3 **SECTION 8. Effective dates.** This act takes effect on the day after publication,  
4 except as follows:

5 (1) **MEDICAID EXPANSION.** The treatment of sections 49.45 (23) (a) and 49.471 (1)  
6 (cr), (4) (a) 4. b., and (4g) takes effect on January 1, 2016, or on the day after  
7 publication, whichever is later.

8 (END)