

September 8, 2011

Secretary Dennis Smith
Department of Health Services
1 W. Wilson St.
Madison, WI 53703

Dear Secretary Smith,

On behalf of the undersigned organizations, we urge you to share with the public your proposals for reducing Medicaid and BadgerCare spending. And we urge you and state legislators to involve Wisconsin families, seniors, and people with disabilities in a public conversation about changes that could affect their access to the health care they need.

The Department of Health Services (DHS) has had eight months this year to develop specific proposals to yield Medicaid and BadgerCare cost savings, including six months since the Legislature passed the budget repair bill, which substantially expanded the department's authority to change Medicaid policy. Further delays in the public release of your recommendations are likely to weaken the opportunities for review and comment on the proposals by the Wisconsinites most directly affected by them and may make it unrealistic to expect a response by the end of the year from federal officials who will have to review them.

As you know, your plans must be submitted to the Joint Finance Committee for review by that committee, and federal law requires the Centers for Medicare and Medicaid Services (CMS) to ensure that the proposals do not undermine legal protections for Wisconsin children, families, and seniors enrolled in or eligible for Medicaid. In addition, the Affordable Care Act requires public input on proposals for federal waivers.

Beyond the legalities, the principles of open and honest government that our state pioneered should compel DHS and legislators to engage the people of our state in a conversation about decisions that will have real, immediate, and very personal effects on their health and pocketbooks. It is well past time to allow Medicaid recipients and the general public to see your proposals and to engage in a robust debate about the future of Medicaid and BadgerCare in our state.

As you know from your own experience at CMS, that agency has an important responsibility under federal law to ensure that waivers of federal Medicaid policies do not compromise the health of the state's people or conflict with applicable legal protections. A responsible and thorough review typically takes at least a few months, and sometimes considerably longer. The original BadgerCare waiver obtained by Wisconsin took well over a year of deliberation and negotiations between state and federal officials, and the BadgerCare Plus plan amendments took many months of preliminary discussions with you and your staff at CMS before the plan amendments were even submitted for consideration. Fortunately, provisions in the Affordable Care Act now provide more opportunity for public input regarding proposed waivers. While that may add a little time to the federal review process, we trust you will agree that additional opportunities to ensure that federal agency decisions are informed by the opinions, concerns, and questions of Wisconsinites who will be directly affected serves the best interests of the people of our state.

The issues that could be raised by some of the types of proposals DHS has floated are extremely important. You have stated publically numerous times that you do not want Wisconsin residents to lose healthcare coverage. But, on the one hand, if the state does not get a waiver from federal maintenance of effort requirements by December 31 of this year, Act 31 requires the income ceiling for parents and childless adults in BadgerCare to be lowered to 133 percent of the poverty level, beginning on July 1, 2012. On the other hand, some of the cost-cutting ideas reportedly under consideration would cause a wide range of Wisconsin families and individuals to lose their BadgerCare coverage, and could substantially increase the number of uninsured and underinsured people in our state. That would negatively affect most state residents – by decreasing access to cost-effective preventive care, increasing reliance on emergency rooms, and driving up the cost of uncompensated care that gets shifted to other health care consumers.

With stakes that high, responsibility dictates a careful and deliberate process. It will be very important for Wisconsin families, their advocates, and health care providers to have an opportunity to share their views and concerns about the proposals with members of the Joint Finance Committee and with CMS. Additional delays in unveiling your proposals could impede the opportunities for this critical public input and would make it considerably less likely that CMS will have time to thoroughly consider the waiver requests before the state's self-imposed December 31 deadline.

We look forward to seeing your proposals and having an opportunity for meaningful public review and comment.

Sincerely,

Ken Taylor, executive director
Wisconsin Council on Children and Families

Scott Anderson, executive director
Wisconsin Council of Churches

Nino Amato, president/executive director
Coalition of Wisconsin Aging Groups

Bobby Peterson, executive director
ABC for Health

Helen Marks Dicks, assoc. state director -
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Linda Hall, executive director
Wisconsin Association of Family and
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Sara Finger, executive director
Wisconsin Alliance for Women's Health

David Riemer, director
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Robert Kraig, executive director
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