

BadgerCare is a public health insurance program developed by the State of Wisconsin to address the needs of low income families who lack health insurance, and to assist families in their transition from welfare work. The State received waivers of Title XIX (Medicaid) and Title XXI (State Child Health Insurance Program - SCHIP) rules under Section 1115 of the Social Security Act to provide public health insurance coverage to families not normally eligible for these programs, and to make other reforms. The key features of BadgerCare are eligibility expansion (to families with incomes up to 185 percent of the Federal Poverty Level - FPL), elimination of the asset test for eligibility, family coverage, monthly premiums for families with incomes above 150 percent of FPL, State subsidy of employer-sponsored health insurance and additional outreach to encourage qualified families to participate.

In September 2000, CMS (then HCFA) awarded a contract to RTI International to evaluate BadgerCare. The following is a summary of findings from the Final Report, which was received by CMS in December 2003.

Evaluation Highlights:

- **Lessons Learned: Program Planning:** By all accounts, BadgerCare has succeeded in achieving its main objective of bridging the gap between Medicaid and private insurance for the working poor. The program's success is attributed in part to the collaborative program planning process in which program planners sought and received input from all key stakeholders. Success is also attributable to the State's progressive tradition in health care and the determination of a handful of policy makers to develop a workable solution.
- **Lessons Learned: Implementation:** State planners credit BadgerCare's quick start-up and effective operation to the decision to use the existing Medicaid infrastructure (including the eligibility determination and health care delivery systems) and to fine-tune the system later as needed. The collaborations forged during the program's planning phase continue to help to bring about the needed system changes.
- **State Outreach Efforts Were Successful:** BadgerCare enjoys wide name recognition in the State, attesting to the success of its outreach efforts. The program is viewed as distinct from Medicaid and thereby has succeeded in reducing welfare stigma typically associated with public programs.
- **Implications of Family Coverage:** The ability to enroll the entire family in a single health insurance plan was viewed as desirable by most enrollees but was not the most critical factor driving their enrollment.
- **Lessons Learned: Premiums:** Most enrollees who paid premiums believed that they were reasonable in amount, but for a small number of potential enrollees, premiums were a deterrent to enrollment. Furthermore, we found that premiums were not a significant factor affecting "churning," the practice in which individuals disenroll from the program and then re-enroll again shortly thereafter.

- **Improved Continuity of Enrollment:** BadgerCare has succeeded in improving the continuity of enrollment among low-income publicly insured individuals. Of note is the greater likelihood of continued eligibility and enrollment of women with Medicaid-covered deliveries who would otherwise be uninsured during their infant's first year of life.
- **Improved Access to Care:** BadgerCare enrollees enjoyed equivalent or better access to medical care as individuals enrolled in employer-sponsored insurance (ESI) plans and much better access than uninsured, low-income families. Problems accessing dental care were common among all insurance coverage groups.
- **Little Evidence of Adverse Selection:** No significant differences were seen in reported health status between BadgerCare adult or child enrollees and those who were either uninsured or covered by ESI or other insurance. BadgerCare/Medicaid participants were somewhat more likely to report a physical or mental limitation than eligible non-participants, however, and participating families were more likely to have a family member with a special health care need.
- **ESI Buy-In:** Wisconsin's premium assistance plan has not been successful in enrolling a significant number of families. Stringent eligibility rules for families, employers, and health plans and the lack of efforts to promote the programs to the business community were given as reasons for this failure.
- **Delays in HMO Enrollment:** Whereas three-fourths of BadgerCare enrollees are enrolled in HMOs, the delay in initial enrollment in a plan following BadgerCare enrollment was sometimes substantial, potentially leading to delays in receiving routine health care.
- **Status of Remaining Uninsured:** Individuals in the State who remain uninsured experience substantial unmet health care needs and frequently forego routine and preventive health care. Many of these individuals are precluded from enrolling in BadgerCare because of waiting periods or other program eligibility conditions.
- **Impact of Disenrollment:** In three out of four premium-paying families who disenrolled from BadgerCare, family members experienced periods without health insurance coverage following disenrollment. These families also reported relatively higher rates of adults and children in fair to poor health and with greater unmet health care needs.

(See downloads area below for more information: Final Report, Case Study Report).