

## BadgerCare Plus Proposal *Impact on the Direct-Care Workforce and their Families†*

There are an estimated 68,000 direct-care workers in Wisconsin who provide hands-on necessary care and personal assistance to the state's elderly, chronically ill, and individuals

### KEY FACTS ABOUT DIRECT CARE WORKERS\*

- Two-thirds (61 percent) reported annual incomes under \$25,000.
- Half of those surveyed had a child under the age of 18; nearly half said they were single (45 percent); and 29 percent identified themselves as married.
- The average age of home care workers who answered the survey was 52 years.
- Home care workers reported working on average less than 31 hours/week.

\* Lageson, Catherine (2003). *Caregiver Survey Final Report: Connecting Caring Communities*. Milwaukee Aging Consortium.

living with disabilities. These workers are mainly women, many with children, earn very low-wages, live in low-income families and lack health insurance. State-specific information on the level of uninsurance among these workers in Wisconsin is not available, but using national estimates of the lack of insurance nearly 2 in 5 home care aides and 1 in 4 nursing assistants – *approximately 20,000 home care and 4,700 nursing home workers in Wisconsin are uninsured*. The average hourly wage of direct-care workers in Wisconsin is \$10.52, making private, employer-sponsored health insurance out-of-reach for many.

In his 2006 State of the State address, Governor Jim Doyle announced the **BadgerCare Plus** initiative. BadgerCare Plus is intended to streamline current programs – Family Medicaid, BadgerCare, and Healthy Start – into one comprehensive health insurance program for low-income children and their families; as well as to expand coverage to several new populations and extend the Health Insurance Premium Program (HIPP), which provides subsidies to make employer-sponsored insurance more affordable. One of the Governor's proposals is to institute a demonstration project to expand Badger Care Plus coverage to childless adults beginning in 2009.

*BadgerCare Plus could extend coverage to thousands of uninsured direct-care workers in our state.*

This fact sheet is intended to provide state legislators currently in conference committee negotiations on the future of the Badger Care Plus program, with information on how these programs can benefit direct care workers and ultimately the quality of care they provide.

† Prepared by the Health Care for Health Care Workers Campaign – [www.coverageiscritical.org](http://www.coverageiscritical.org).

## **Who will be Covered Under BadgerCare Plus?**

*The study by the Milwaukee Aging Consortium showed that half of direct-care workers had children under 18, but only 12% were covered by Medicaid. BadgerCare Plus will expand health care coverage to more direct-care workers with children. In addition, direct-care workers without children, who are currently not eligible for any public programs, would be eligible for coverage. Badger Care Plus will also make the health insurance that employers offer more affordable by increasing accessibility to the Health Insurance Premium Payment (HIPP) program.*

### **Parents**

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BadgerCare Plus will expand coverage to parents with family incomes up to 200% of the federal poverty level (FPL). *Direct-care workers in Wisconsin earn, on average, \$10.52 per hour, or \$1,683 per month – well below 200% FPL<sup>‡</sup>.* Currently, BadgerCare is only available to families with incomes under 185% of FPL. This expansion means that direct-care workers with family incomes of less than \$3,444 per month (\$41,328 annually) for a family of four will be eligible for BadgerCare Plus. Even with additional income from a working spouse, many direct-care workers would benefit from this change.

### **Childless Adults**

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BadgerCare Plus will expand coverage to individuals who do not have children. Childless adults are currently not eligible for coverage under any of the current medical assistance programs.

In order to extend coverage to this population – childless adults with incomes under 200% of FPL – the State will need to request a waiver from the federal government (CMS). *If approved, single, direct-care workers without children, who make less than \$1,700 a month (\$20,420 annually), will be eligible for health care coverage.*

### **Premium Assistance**

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BadgerCare Plus will also expand the HIPP program, which pays the employee premium for health insurance offered by employers. The HIPP program has been identified as an important way to subsidize employer-sponsored insurance (ESI) to direct-care workers in Wisconsin<sup>§</sup>. Low wages keep ESI out of reach for direct-care workers. *ESI is an important factor in retaining direct-care workers. Recent studies show that workers with health insurance through their employers stay in their jobs twice as long as those who do not\*\*.*

Currently, HIPP is available to parents who meet the eligibility for requirements for BadgerCare. If an employer pays between 60 and 80% of the total health insurance premium cost, HIPP pays the employee's share of the health insurance premium. *Under BadgerCare Plus, eligibility for the program will increase to families with incomes up to 200% FPL. In addition, it will not matter how much an employer pays towards the premium, as long as it is more cost effective for the state to pay the premium under HIPP rather than enroll the individual or family into BadgerCare Plus.*

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<sup>‡</sup> This assumes a 40 hour/week, full time schedule. Many direct care workers work part-time.

<sup>§</sup> PHI (2006). *Subsidizing Health Insurance Coverage for the Home Care Workforce in Two Wisconsin Counties*. Available at [www.coverageiscritical.org](http://www.coverageiscritical.org).

<sup>\*\*</sup> HCHCW (2007) *Health Insurance and Retention: Fact Sheet*. Available at [www.coverageiscritical.org](http://www.coverageiscritical.org).

## **How Much Will BadgerCare Plus Cost?**

Coverage will be subsidized, meaning that much of the cost of doctor visits, prescription drugs, and other benefits will be paid by government sources.

Certain individuals enrolled in BadgerCare Plus will be required to pay a monthly premium for coverage. *There will be no monthly premium for those with family income below 150% FPL. Parents with income between 150 and 200% FPL will be required to pay a sliding scale premium of not more than 5% of family income.* In addition to a monthly premium, individuals enrolled in BadgerCare Plus will also have to pay a co-payment at the time they receive health care services. Those with income less than 200% FPL will have minimum co-payments; most of which are less than \$5 for prescription drugs, doctor's visits, inpatient and outpatient hospital services, and dental care.

## **What Health Care Benefits Will Be Offered?**

*BadgerCare Plus will offer the standard Medicaid benefit package for eligible individuals with income less than 200% FPL. It will also offer a Healthy Living program that will work to reduce smoking and encourage people to see their regular physician instead of seeking care in an emergency room. This type of comprehensive coverage is vital for direct-care workers, many of whom have treatable chronic health conditions such as diabetes and high-blood pressure. In addition, the availability of physical and occupational therapy, will keep their bodies healthy, so they can continue doing this vital work.*

## **How Can I Stay Informed and Involved?**

### **Personal Stories**

Do you lack health insurance? Are you willing to tell your story and share it with other direct care workers and legislators, please contact (608) 241-6181 or [amedeiros@sewaaa.com](mailto:amedeiros@sewaaa.com)

### **Contact your Legislators**

Tell your legislators that it's important health care workers have health care themselves!

1. Call your legislators at: 1-800-362-9472.
2. Tell them your name, where you work, and the kind of work you do.
3. If you don't have health insurance coverage, share that with them.
4. Inform them why you think why they should support BadgerCare Plus.
5. Ask them if they will support it.