June 3, 2015

TO: Senator Jennifer Shilling
          Room 206 South, State Capitol

FROM: Sam Austin, Fiscal Analyst

SUBJECT: Full Medicaid Expansion under the ACA: Updated Estimate

At your request, this memorandum provides an updated fiscal estimate of increasing BadgerCare Plus income eligibility standards for nondisabled, non-elderly adults to 133% of the federal poverty level (FPL) under provisions of the federal Patient Protection and Affordable Care Act (ACA). This option is commonly referred to as a "full expansion" of Medicaid program eligibility under the ACA.

The following table provides this estimate for the 2015-17 biennium, if this policy is implemented on January 1, 2016. This has been updated from this office's February, 2015, estimate to reflect more recent BadgerCare Plus enrollment data.

Comparison of Current Law and Full Expansion, 2015-17 Biennium
Non-pregnant, Non-disabled Adults Benefit Costs
($ in Millions)

	2015-16	2016-17	Biennial Total
GPR			
Current Law	$573.3	$596.5	$1,169.8
Full Expansion	460.2	349.1	809.3
Difference	-$113.1	-$247.4	-$360.5
FED			
Current Law	$799.6	$829.3	$1,628.9
Full Expansion	1,036.8	1,433.2	2,470.0
Difference	$237.2	$603.9	$841.1
All Funds			
Current Law	$1,372.9	$1,425.8	$2,798.7
Full Expansion	1,497.0	1,782.3	3,279.3
Difference	$124.1	$356.5	$480.6

Average Monthly Enrollment	2015-16	2016-17
Current Law	338,000	340,000
Full Expansion	375,000	425,000
Difference	37,000	85,000

Additional background information and discussion of the methodology used for this estimate, and other issues regarding a full Medicaid expansion were provided in previous memos on this issue (which have been made public by the requesting legislators, and are available upon request).

I hope that this information is useful. Please contact me with any further questions.

SA/sas