TO: Members, Joint Committee on Finance
FROM: Attorney Vanessa Kuettel, Legal Action of Wisconsin, Oshkosh Office
RE: 2015-17 Biennial Budget, Proposed Changes to BadgerCare Plus
DATE: March 18, 2015

My name is Vanessa Kuettel and I am an attorney with Legal Action of Wisconsin, in our Oshkosh office. My practice area includes public benefits and housing law. Legal Action of Wisconsin (LAW) is a nonprofit law firm that provides free legal services to low-income people in 39 Wisconsin counties, across a territory that extends from the very populous southeastern corner of the state up through Brown County in the east and La Crosse County in the west.

I am here today to talk about the negative impacts the 2015-2017 biennial budget’s proposed BadgerCare Plus changes will have on our clients, specifically the proposals to add premiums for childless adults and to limit BadgerCare Plus access to four years.

Access to affordable health insurance is vital to our clients as well as society as a whole. When our clients lack access to affordable health insurance, their ability to obtain and maintain steady, reliable employment and safe housing is negatively impacted.

For an adult without children to financially qualify for BadgerCare Plus, his/her income must be less than or equal to 100% of the federal poverty line, or less than or equal to $980.83 per month. Imposing any monthly premium amount on this population would render BadgerCare Plus unaffordable to the great majority of them. Our clients at this income level struggle to pay their rent, transportation, food, and other bills. Adding premiums to that list of expenses will topple their already precarious financial situations.

I recently provided legal advice to a client, who I will call John. John received a 5-day notice for unpaid rent. John was unable to pay his rent because he lost his steady, reliable job due to an untreated medical issue. John did not seek medical treatment because he lacked access to affordable health insurance. The 5 days passed and John was still unable to pay rent, so John’s landlord turned off his water instead of filing a court action. Turning off a tenant’s water as an eviction tactic is illegal; however, John did not want to pursue the issue because he would be homeless if the landlord did initiate a court action.

As John’s story illustrates, these issues spiral quickly in the lives of our clients. Without health insurance, John could not treat his medical issues. Without treatment, he could not hold onto his job. Without his job, he was at great risk of losing his housing. John’s monthly budget barely left him with the ability to pay his rent, buy food, and get to and from work. There is no room for
health care premiums in the budgets of Wisconsin residents like John whose incomes keep them trapped in poverty. They need affordable health care to stabilize their employment and housing, not more barriers to affordable health coverage.

Merely having access to affordable health insurance is not enough. Our clients need to have continuous access to affordable health insurance. The importance of continuous coverage is best illustrated by our clients who have mental health issues. I recently provided legal services to a client, who I will call Jane. Jane has a mental health illness which she treated through BadgerCare Plus coverage. Jane needed BadgerCare Plus for continuous treatment for her mental health illness so she was able to maintain employment and keep safe housing. Without continuous treatment, Jane likely will not be able to adequately function in society and will likely lose her job and her housing.

Yet the budget proposes a 4 year time limit on BadgerCare Plus coverage for childless adults like Jane. Should our clients with mental illnesses like Jane only plan on working, having safe housing, and adequately functioning in society for 4 years then? Because clients like Jane will not be able to work, maintain housing, or function in society if they lose their health coverage. Should Wisconsin residents like Jane start cycling on and off BadgerCare Plus to “ration” their treatment of mental and physical health issues, in an attempt to stretch out their 4 years of BadgerCare Plus coverage for as long as possible?

BadgerCare Plus is essential to the population it serves. Any measures that impose additional costs, time limits, or additional barriers to coverage, such as health assessment tests, will have a negative impact on the lives of the individuals it serves. This negative impact will not only be felt by the individual, but will also be felt by Wisconsin as a whole.

Thank you.