

HR 1: Implications for Medicaid and Badgercare

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- ▶ HR 1 was enacted in July, 2025
- ▶ Also called the “One Big Beautiful Bill Act”
- ▶ Major policy changes for both **SNAP (Supplemental Nutrition Assistance Program, or Foodshare in Wisconsin)** and **Medicaid/Badgercare programs**.

This presentation discusses health-care only and does not detail the Foodshare changes related to administrative and benefit cost sharing, and the expansion of work requirements.

- ▶ The Wisconsin Department of Health Services estimates that at full implementation: **HR1 will cost Wisconsin taxpayers \$142 million/year.***
- ▶ These new policies will be implemented over the next several years.
- ▶ Estimates from the Congressional Budget Office indicate **more than 276,000 Wisconsinites could lose health care coverage**, either from Medicaid or the Affordable Care Act (ACA).

*Reference: “Impact of Federal Budget Reconciliation Bill on Wisconsinites, August 2025. Wisconsin Department of Health Services



Community Engagement

- ▶ December 31, 2026: **Badgercare members, 19-64 years old (without a child under 19) will have to report 80 hours of work, training or volunteering to remain eligible for healthcare coverage.**

This provision is called “community engagement” and mirrors work requirements for other programs like Foodshare.

- ▶ June 2026: Centers for Medicare & Medicaid Services (CMS) final regulations due
- ▶ October 2026: Outreach
- ▶ January 2027: Implementation
- ▶ Note:
 - ▶ Childless adult population only—estimated **12,000 Dane County residents will be immediately impacted**, 20,000 for Capital Consortia Counties.
 - ▶ Customers must be given one month to cure before losing eligibility.



Community Engagement-Exemptions

- ▶ Exemptions from the requirement, people who are:
 - ▶ Member of a Tribe
 - ▶ Disabled veterans
 - ▶ Already in W-2 or FSET
 - ▶ Recently released from incarceration
 - ▶ In active BH/AODA treatment
 - ▶ Individuals who are medically frail or otherwise have special medical needs, including an individual:
 - Who is blind or disabled
 - With a chronic substance use disorder
 - With a disabling mental disorder
 - With a physical, intellectual, or developmental disability that significantly impairs their ability to perform one or more activities of daily living
 - With a serious or complex medical condition



Community Engagement

► Mitigating Strategies?

- Not an ongoing requirement, at application and once during year
- Administrative focus on finding and documenting exemptions
- Very robust FSET partnerships and programming for those who are co-enrolled in Foodshare
- States must use information available to determine whether individuals are meeting, deemed to meet, or are excluded from the requirement (new and better data exchanges?)
- *Outreach to partners, awareness, collaboration possibilities*



Additional Changes

- ▶ Changes that will make it **harder and less attractive to expand Medicaid in Wisconsin:**
 - Loss of \$1.3B one-time incentive payment
 - Requiring 6 month eligibility reviews for the expansion population
 - Moratorium on new or increased provider taxes—Wisconsin's hospital assessment helps fund hospital coverage for Medicaid members
- ▶ Mandated rate reductions to hospitals and EMS providers made through managed care organizations (MCO's)
- ▶ Shortening retroactive coverage from three months to two
- ▶ A new prohibition for payments to providers like Planned Parenthood who provide access to reproductive health care (*currently under federal injunction*).



Thank you

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