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# TYLER AUGUST

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STATE REPRESENTATIVE • 32<sup>ND</sup> ASSEMBLY DISTRICT  
SPEAKER PRO TEMPORE

For Immediate Release  
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## **Expansion of Government Health Care too Costly for Taxpayers**

*Expensive Medicaid expansion would harm those with private health care.*

As the legislative session continues, debate over the state budget is heating up. As you may know, the biennial budget process kicked off with Governor Tony Evers introducing his proposal. There has been much attention given to his controversial ideas like increasing taxes by over \$1 billion, including the largest proposed increase in property taxes in a decade, as well as massive unnecessary spending levels that would take Wisconsin's healthy surplus and turn it into a nearly \$2 billion heading into the next budget cycle.

Recently, much attention has been focused on Governor Evers' budget proposal to expand Medicaid. Medicaid is a government program designed to provide health care coverage for those that otherwise could not afford it. It is different than Medicare, which is the health care program for older citizens who are retired.

Specifically, Medicaid expansion was born out of ObamaCare. In an effort to get states to expand their Medicaid coverage, the federal government would provide a financial incentive to each state that participated. However, over time, those payments from the federal government have decreased from 100% of costs down to 90%, leaving state taxpayers to pick up the costs.

Governor Evers claims his proposal would increase the number of Wisconsinites on Medicaid by over 80,000 people. However, it is important to point out that every single one of these individuals already have access to health insurance through the federal exchange under the Affordable Care Act.

If Governor Evers' expansion of this government health care program is approved, over half of those individuals would lose their current private health care plan. This would result in Wisconsin taxpayers left picking up part of the premium, whereas now those costs are paid entirely by the federal government.

In addition, a study by the Wisconsin Institute for Law & Liberty and the Center for Research on the Wisconsin Economy at the University of Wisconsin-Madison has shown that removing these individuals from private health plans and moving them into a government run health plan can have a dramatic negative impact upon the private insurance markets. Estimates have stated this could lead to as much as a \$600 million increase in costs for those still on private health insurance. In fact, the same study concluded that Medicaid expansion in Wisconsin would result in increased costs to families with private insurance by as much as \$700 per year for a family of four.



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Furthermore, there have been notable negative results in states that have expanded their Medicaid rolls. These include large increases in emergency room visits. In Arizona, a study concluded that Medicaid charges in emergency departments alone increase by more than 300 percent. Another negative result has been an increase in unemployment. Expanding a government program that disincentivizes work makes little to no economic sense.

I do not support Medicaid expansion because it will mean higher costs for both health care consumers and state taxpayers with no convincing evidence of improved health outcomes. Instead of encouraging people to depend on the government for health care, we need to focus on market based approaches that increase price transparency, competition, and variety.

*State Representative Tyler August (R-Lake Geneva) represents portions of Walworth, Kenosha, and Racine Counties. He is the Speaker Pro Tempore of the Wisconsin State Assembly and is currently serving his fifth term.*

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