Large Health Insurer Getting Over \$12 Million from Walker BadgerCare Decision

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STATEWIDE - According to an analysis by Citizen Action of Wisconsin, Wellpoint Anthem Blue Cross Blue Shield of Wisconsin, part of the nation's largest for-profit health insurance company, will make an estimated \$12,785,484 in additional revenue each year because Governor Walker rejected enhanced federal funds for BadgerCare.

On a media call earlier this week Citizen Action of Wisconsin and Wisconsin Democracy Campaign released evidence of a relationship between large insurance industry campaign donations to Scott Walker and the rejection of federal funds for BadgerCare. The data shows that the insurance industry was the biggest beneficiary of the decision to reject the funds for BadgerCare and has made major large campaign contributions to Governor Walker and leading Legislators.



The estimate of additional revenue for Wellpoint Anthem Blue Cross is based on their market share in the new federal marketplace in Wisconsin, enrollment numbers for former BadgerCare recipients, and the average tax subsidy that each new enrollee will receive from the federal government. It does not include additional premiums paid by individual health insurance consumers.

Lobbying records from the Government Accountability Board show that Wellpoint Anthem Blue Cross lobbied for 159 hours on the part of the state budget related to BadgerCare funding. It also lobbied for 238 hours on implementation of the Affordable Care Act, which could have included expanded BadgerCare eligibility. According to records compiled by the Wisconsin Democracy Campaign, executives from the company and its subsidiaries donated at least \$42,850 to Governor Walker.

"The evidence is clear that the nation's largest for-profit insurance company benefited substantially from Scott Walker's disastrous decision to reject federal funds for BadgerCare," said Robert Kraig, Executive Director of Citizen Action of Wisconsin. "It disturbing to believe that tens of thousands of Wisconsin families may be either without vital health coverage or paying too much for coverage just so Governor Walker's campaign contributors can pad their profits."

<u>Lobbying records</u> released Thursday by Citizen Action of Wisconsin from the Government Accountability Board (GAB) call into question Governor Scott Walker's blanket denial that the insurance industry lobbied his administration to reject enhanced federal funds for BadgerCare.

Television journalist Greg Neumann of WKOW TV 27 in Madison captured Scott Walker on stumbling to

respond to Citizen Action of Wisconsin's revelation that insurance industry donations may have swayed his decisions to reject hundreds of millions of federal dollars for BadgerCare. In the news story

, Walker says on camera that "to my knowledge they [the insurance industry] haven't lobbied me personally or anyone in my administration on this."

However, <u>lobbying records from GAB</u> show that three powerful insurance industry trade associations and Wellpoint Anthem Blue Cross spend 363 hours lobbying on the part of the state budget related to BadgerCare funding. Wellpoint Anthem Blue Cross spent an additional 238 hours lobbying on the implementation of the Affordable Care Act. The expansion of BadgerCare is a key part of the health care law.

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